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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/31/2009	.	
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The Committee on Community Affairs (Storms) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Subsection (60) of section 121.021, Florida  
Statutes, is amended to read:

121.021 Definitions.—The following words and phrases as  
used in this chapter have the respective meanings set forth  
unless a different meaning is plainly required by the context:

(60) "Retiree" means:



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12           (a) A former member of the Florida Retirement System or an  
13 existing system who has terminated employment and is receiving  
14 benefit payments from the system in which he or she was a  
15 member. This term also includes a person who retired and is  
16 receiving benefits under s. 112.05 and a retiree under the  
17 Public Employee Optional Retirement Program defined in s.  
18 121.4501(2).

19           (b) A former participant of the following programs who has  
20 received a distribution from: the State Community College  
21 Optional Retirement Program as defined in s. 121.051(2)(c), the  
22 Senior Management Service Optional Annuity Program as defined in  
23 s. 121.055(6), an alternative program for local agency employer  
24 senior managers who withdrew from the Florida Retirement System  
25 under s. 121.055(1)(b), or the State University System  
26 Retirement Optional Retirement Program as defined in s.  
27 121.35(5)(g). A distribution is receiving funds that include  
28 employer contributions and associated earnings whether received  
29 as a full or partial: rollover or trustee-to-trustee transfer,  
30 lump sum payment, periodic payment, annuity payments or any  
31 combination of these payment methods.

32           Section 2. Paragraph (a) of subsection (1) and paragraphs  
33 (c) and (f) of subsection (2) of section 121.051, Florida  
34 Statutes, are amended to read:

35           121.051 Participation in the system.—

36           (1) COMPULSORY PARTICIPATION.—

37           (a) The provisions of this law are ~~shall be~~ compulsory as  
38 to all officers and employees, except elected officers who meet  
39 the requirements of s. 121.052(3), who are employed on or after  
40 December 1, 1970, by ~~of~~ an employer other than those referred to



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41 in paragraph (2) (b), and each officer or employee, as a  
42 condition of employment, shall become a member of the system as  
43 of his or her date of employment, except that a person who is  
44 retired from any state retirement system and is reemployed on or  
45 after December 1, 1970, may not renew his or her membership in  
46 any state retirement system except as provided in s.  
47 121.091(4) (h) for a person who recovers from disability, and as  
48 provided in s. 121.091(9) (b)10. ~~s. 121.091(9) (b)8.~~ for a person  
49 who is elected to public office, and, effective July 1, 1991, as  
50 provided in s. 121.122 for all other retirees. Officers and  
51 employees of the University Athletic Association, Inc., a  
52 nonprofit association connected with the University of Florida,  
53 employed on and after July 1, 1979, may ~~shall~~ not participate in  
54 any state-supported retirement system.

55 1. Any person appointed on or after July 1, 1989, to a  
56 faculty position in a college at the J. Hillis Miller Health  
57 Center at the University of Florida or the Medical Center at the  
58 University of South Florida which has a faculty practice plan  
59 provided by rule adopted by the Board of Regents may not  
60 participate in the Florida Retirement System. Effective July 1,  
61 2008, any person appointed thereafter to a faculty position,  
62 including clinical faculty, in a college at a state university  
63 that has a faculty practice plan authorized by the Board of  
64 Governors may not participate in the Florida Retirement System.  
65 A faculty member so appointed shall participate in the optional  
66 retirement program for the State University System  
67 notwithstanding ~~the provisions of~~ s. 121.35(2) (a).

68 2. For purposes of this paragraph, the term "faculty  
69 position" is defined as a position assigned the principal



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70 responsibility of teaching, research, or public service  
71 activities or administrative responsibility directly related to  
72 the academic mission of the college. The term "clinical faculty"  
73 is defined as a faculty position appointment in conjunction with  
74 a professional position in a hospital or other clinical  
75 environment at a college. The term "faculty practice plan"  
76 includes professional services to patients, institutions, or  
77 other parties which are rendered by the clinical faculty  
78 employed by a college that has a faculty practice plan at a  
79 state university authorized by the Board of Governors.

80 (2) OPTIONAL PARTICIPATION.—

81 (c) Employees of public community colleges or charter  
82 technical career centers sponsored by public community colleges,  
83 as designated in s. 1000.21(3), who are members of the Regular  
84 Class of the Florida Retirement System and who comply with the  
85 criteria set forth in this paragraph and in s. 1012.875 may  
86 elect, in lieu of participating in the Florida Retirement  
87 System, to withdraw from the Florida Retirement System  
88 altogether and participate in an optional retirement program  
89 provided by the employing agency under s. 1012.875, to be known  
90 as the State Community College System Optional Retirement  
91 Program. Pursuant thereto:

92 1. Through June 30, 2001, the cost to the employer for such  
93 annuity shall equal the normal cost portion of the employer  
94 retirement contribution which would be required if the employee  
95 were a member of the Regular Class defined benefit program, plus  
96 the portion of the contribution rate required by s. 112.363(8)  
97 that would otherwise be assigned to the Retiree Health Insurance  
98 Subsidy Trust Fund. Effective July 1, 2001, each employer shall



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99 contribute on behalf of each participant in the optional program  
100 an amount equal to 10.43 percent of the participant's gross  
101 monthly compensation. The employer shall deduct an amount to  
102 provide for the administration of the optional retirement  
103 program. The employer providing the optional program shall  
104 contribute an additional amount to the Florida Retirement System  
105 Trust Fund equal to the unfunded actuarial accrued liability  
106 portion of the Regular Class contribution rate.

107 2. The decision to participate in such an optional  
108 retirement program shall be irrevocable for as long as the  
109 employee holds a position eligible for participation, except as  
110 provided in subparagraph 3. Any service creditable under the  
111 Florida Retirement System shall be retained after the member  
112 withdraws from the Florida Retirement System; however,  
113 additional service credit in the Florida Retirement System shall  
114 not be earned while a member of the optional retirement program.

115 3. An employee who has elected to participate in the  
116 optional retirement program shall have one opportunity, at the  
117 employee's discretion, to choose to transfer from the optional  
118 retirement program to the defined benefit program of the Florida  
119 Retirement System or to the Public Employee Optional Retirement  
120 Program, subject to the terms of the applicable optional  
121 retirement program contracts.

122 a. If the employee chooses to move to the Public Employee  
123 Optional Retirement Program, any contributions, interest, and  
124 earnings creditable to the employee under the State Community  
125 College System Optional Retirement Program shall be retained by  
126 the employee in the State Community College System Optional  
127 Retirement Program, and the applicable provisions of s.



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128 121.4501(4) shall govern the election.

129       b. If the employee chooses to move to the defined benefit  
130 program of the Florida Retirement System, the employee shall  
131 receive service credit equal to his or her years of service  
132 under the State Community College System Optional Retirement  
133 Program.

134       (I) The cost for such credit shall be an amount  
135 representing the present value of that employee's accumulated  
136 benefit obligation for the affected period of service. The cost  
137 shall be calculated as if the benefit commencement occurs on the  
138 first date the employee would become eligible for unreduced  
139 benefits, using the discount rate and other relevant actuarial  
140 assumptions that were used to value the Florida Retirement  
141 System defined benefit plan liabilities in the most recent  
142 actuarial valuation. The calculation shall include any service  
143 already maintained under the defined benefit plan in addition to  
144 the years under the State Community College System Optional  
145 Retirement Program. The present value of any service already  
146 maintained under the defined benefit plan shall be applied as a  
147 credit to total cost resulting from the calculation. The  
148 division shall ensure that the transfer sum is prepared using a  
149 formula and methodology certified by an enrolled actuary.

150       (II) The employee must transfer from his or her State  
151 Community College System Optional Retirement Program account and  
152 from other employee moneys as necessary, a sum representing the  
153 present value of that employee's accumulated benefit obligation  
154 immediately following the time of such movement, determined  
155 assuming that attained service equals the sum of service in the  
156 defined benefit program and service in the State Community



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157 College System Optional Retirement Program.

158 4. Participation in the optional retirement program shall  
159 be limited to those employees who satisfy the following  
160 eligibility criteria:

161 a. The employee must be otherwise eligible for membership  
162 or renewed membership in the Regular Class of the Florida  
163 Retirement System, as provided in s. 121.021(11) and (12) or s.  
164 121.122.

165 b. The employee must be employed in a full-time position  
166 classified in the Accounting Manual for Florida's Public  
167 Community Colleges as:

168 (I) Instructional; or

169 (II) Executive Management, Instructional Management, or  
170 Institutional Management, if a community college determines that  
171 recruiting to fill a vacancy in the position is to be conducted  
172 in the national or regional market, and:

173 (A) The duties and responsibilities of the position include  
174 either the formulation, interpretation, or implementation of  
175 policies; or

176 (B) The duties and responsibilities of the position include  
177 the performance of functions that are unique or specialized  
178 within higher education and that frequently involve the support  
179 of the mission of the community college.

180 c. The employee must be employed in a position not included  
181 in the Senior Management Service Class of the Florida Retirement  
182 System, as described in s. 121.055.

183 5. A participant who receives a program distribution,  
184 including a rollover or trustee-to-trustee transfer, funded by  
185 employer contributions shall be deemed to be retired from a



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186 state-administered retirement system in the event of subsequent  
187 employment with any employer that participates in the Florida  
188 Retirement System. Participants in the program are subject to  
189 the same reemployment limitations, renewed membership  
190 provisions, and forfeiture provisions as are applicable to  
191 regular members of the Florida Retirement System under ss.  
192 121.091(9), 121.122, and 121.091(5), respectively.

193 6. Eligible community college employees shall be compulsory  
194 members of the Florida Retirement System until, pursuant to the  
195 procedures set forth in s. 1012.875, a written election to  
196 withdraw from the Florida Retirement System and to participate  
197 in the State Community College System Optional Retirement  
198 Program is filed with the program administrator and received by  
199 the division.

200 a. Any community college employee whose program eligibility  
201 results from initial employment shall be enrolled in the State  
202 Community College System Optional Retirement Program retroactive  
203 to the first day of eligible employment. The employer retirement  
204 contributions paid through the month of the employee plan change  
205 shall be transferred to the community college for the employee's  
206 optional program account, and, effective the first day of the  
207 next month, the employer shall pay the applicable contributions  
208 based upon subparagraph 1.

209 b. Any community college employee whose program eligibility  
210 results from a change in status due to the subsequent  
211 designation of the employee's position as one of those specified  
212 in subparagraph 4. or due to the employee's appointment,  
213 promotion, transfer, or reclassification to a position specified  
214 in subparagraph 4. shall be enrolled in the program upon the





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215 first day of the first full calendar month that such change in  
216 status becomes effective. The employer retirement contributions  
217 paid from the effective date through the month of the employee  
218 plan change shall be transferred to the community college for  
219 the employee's optional program account, and, effective the  
220 first day of the next month, the employer shall pay the  
221 applicable contributions based upon subparagraph 1.

222 7. Effective July 1, 2003, through December 31, 2008, any  
223 participant of the State Community College System Optional  
224 Retirement Program who has service credit in the defined benefit  
225 plan of the Florida Retirement System for the period between his  
226 or her first eligibility to transfer from the defined benefit  
227 plan to the optional retirement program and the actual date of  
228 transfer may, during his or her employment, elect to transfer to  
229 the optional retirement program a sum representing the present  
230 value of the accumulated benefit obligation under the defined  
231 benefit retirement program for such period of service credit.  
232 Upon such transfer, all such service credit previously earned  
233 under the defined benefit program of the Florida Retirement  
234 System during this period shall be nullified for purposes of  
235 entitlement to a future benefit under the defined benefit  
236 program of the Florida Retirement System.

237 (f)1. Whenever an employer that participates in the Florida  
238 Retirement System undertakes the transfer, merger, or  
239 consolidation of governmental services or functions, the  
240 employer must notify the department at least 60 days before  
241 ~~prior to~~ such action and shall provide documentation as required  
242 by the department.

243 2. When the agency to which a member's employing unit is



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244 transferred, merged, or consolidated does not participate in the  
245 Florida Retirement System, a member shall elect in writing to  
246 remain in the Florida Retirement System or to transfer to the  
247 local retirement system operated by the such agency. If the such  
248 agency does not participate in a local retirement system, the  
249 member shall continue membership in the Florida Retirement  
250 System. In either case, the membership shall continue for as  
251 long as the member is employed by the agency to which his or her  
252 unit was transferred, merged, or consolidated.

253 Section 3. Subsections (1) and (2) of section 121.053,  
254 Florida Statutes, are amended to read:

255 121.053 Participation in the Elected Officers' Class for  
256 retired members.-

257 (1) (a) 1. Any retiree of a state-administered retirement  
258 system who initially serves in an elective office in a regularly  
259 established position with a covered employer on or after January  
260 1, 2010, may not enroll in the Florida Retirement System as a  
261 renewed member.

262 2. An elected officer who is elected or appointed to an  
263 elective office and is participating in the Deferred Retirement  
264 Option Program is subject to termination as provided in s.  
265 121.021(39)(b), and reemployment limitations as provided in s.  
266 121.091(9), upon completion of his or her DROP participation  
267 period. An elected official may defer termination as provided in  
268 subparagraph (c)5.

269 (b) Any member who retired before January 1, 2010, under  
270 any existing system as defined in s. 121.021(2), and receives a  
271 benefit thereof, who is initially reemployed before January 1,  
272 2010, and who serves in an office covered by the Elected



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273 Officers' Class for a period of at least 6 years, is entitled to  
274 receive an additional retirement benefit for such elected  
275 officer service before July 1, 1990, under the Elected Officers'  
276 Class of the Florida Retirement System, as follows:

277 1. Upon completion of 6 or more years of creditable service  
278 in an office covered by the Elected Officers' Class, as provided  
279 in s. 121.052, the member shall notify the administrator of his  
280 or her intent to purchase elected officer service before July 1,  
281 1990, and shall pay the member contribution applicable for the  
282 period being claimed, plus 4 percent interest compounded  
283 annually from the first year of service claimed until July 1,  
284 1975, and 6.5 percent interest compounded annually thereafter,  
285 until full payment is made to the Florida Retirement System  
286 Trust Fund; however, the member may purchase retirement credit  
287 under the Elected Officers' Class only for such service as an  
288 elected officer.

289 2. Upon payment of the amount specified in subparagraph 1.,  
290 the employer shall pay into the Florida Retirement System Trust  
291 Fund the applicable employer contribution for the period of  
292 elected officer service before to July 1, 1990, being claimed by  
293 the member, plus 4 percent interest compounded annually from the  
294 first year of service claimed until July 1, 1975, and 6.5  
295 percent interest compounded annually thereafter, until full  
296 payment is made to the Florida Retirement System Trust Fund.

297 (c) Any retired member of the Florida Retirement System, or  
298 any existing system as defined in s. 121.021(2), who, on or  
299 after July 1, 1990, through December 31, 2009, is serving in, or  
300 is elected or appointed to, an elective office covered by the  
301 Elected Officers' Class shall be enrolled in the appropriate



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302 subclass of the Elected Officers' Class of the Florida  
303 Retirement System, and applicable contributions shall be paid  
304 into the Florida Retirement System Trust Fund as provided in s.  
305 121.052(7). Pursuant thereto: Any member who retired under any  
306 existing system as defined in s. 121.021(2), and receives a  
307 benefit thereof, and who serves in an office covered by the  
308 Elected Officers' Class for a period of at least 6 years, shall  
309 be entitled to receive an additional retirement benefit for such  
310 elected officer service prior to July 1, 1990, under the Elected  
311 Officers' Class of the Florida Retirement System, as follows:

312       1. ~~Upon completion of 6 or more years of creditable service~~  
313 ~~in an office covered by the Elected Officers' Class, s. 121.052,~~  
314 ~~such member shall notify the administrator of his or her intent~~  
315 ~~to purchase elected officer service prior to July 1, 1990, and~~  
316 ~~shall pay the member contribution applicable for the period~~  
317 ~~being claimed, plus 4 percent interest compounded annually from~~  
318 ~~the first year of service claimed until July 1, 1975, and 6.5~~  
319 ~~percent interest compounded annually thereafter, until full~~  
320 ~~payment is made to the Florida Retirement System Trust Fund;~~  
321 ~~however, such member may purchase retirement credit under the~~  
322 ~~Elected Officers' Class only for such service as an elected~~  
323 ~~officer.~~

324       2. ~~Upon payment of the amount specified in subparagraph 1.,~~  
325 ~~the employer shall pay into the Florida Retirement System Trust~~  
326 ~~Fund the applicable employer contribution for the period of~~  
327 ~~elected officer service prior to July 1, 1990, being claimed by~~  
328 ~~the member, plus 4 percent interest compounded annually from the~~  
329 ~~first year of service claimed until July 1, 1975, and 6.5~~  
330 ~~percent interest compounded annually thereafter, until full~~



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331 ~~payment is made to the Florida Retirement System Trust Fund.~~

332 ~~(b) Any retired member of the Florida Retirement System, or~~  
333 ~~any existing system as defined in s. 121.021(2), who, on or~~  
334 ~~after July 1, 1990, is serving in, or is elected or appointed~~  
335 ~~to, an elective office covered by the Elected Officers' Class~~  
336 ~~shall be enrolled in the appropriate subclass of the Elected~~  
337 ~~Officers' Class of the Florida Retirement System, and applicable~~  
338 ~~contributions shall be paid into the Florida Retirement System~~  
339 ~~Trust Fund as provided in s. 121.052(7). Pursuant thereto:~~

340 1. Any such retired member shall be eligible to continue to  
341 receive retirement benefits as well as compensation for the  
342 elected officer service for as long as he or she remains in an  
343 elective office covered by the Elected Officers' Class.

344 2. If any such member serves in an elective office covered  
345 by the Elected Officers' Class and becomes vested under that  
346 class, he or she shall be entitled to receive an additional  
347 retirement benefit for such elected officer service.

348 3. Such member shall be entitled to purchase additional  
349 retirement credit in the Elected Officers' Class for any  
350 postretirement service performed in an elected position eligible  
351 for the Elected Officers' Class before ~~prior to~~ July 1, 1990, or  
352 in the Regular Class for any postretirement service performed in  
353 any other regularly established position prior to July 1, 1991,  
354 by paying the applicable Elected Officers' Class or Regular  
355 Class employee and employer contributions for the period being  
356 claimed, plus 4 percent interest compounded annually from the  
357 first year of service claimed until July 1, 1975, and 6.5  
358 percent interest compounded thereafter, until full payment is  
359 made to the Florida Retirement System Trust Fund. The



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360 contribution for postretirement Regular Class service between  
361 July 1, 1985, and July 1, 1991, for which the reemployed retiree  
362 contribution was paid, shall be the difference between such  
363 contribution and the total applicable contribution for the  
364 period being claimed, plus interest. The employer of such member  
365 may pay the applicable employer contribution in lieu of the  
366 member. If a member does not wish to claim credit for all of the  
367 postretirement service for which he or she is eligible, the  
368 service the member claims must be the most recent service.

369 4. Creditable service for which credit was received, or  
370 which remained unclaimed, at retirement may not be claimed or  
371 applied toward service credit earned following renewed  
372 membership. However, service earned in accordance with the  
373 renewed membership provisions in s. 121.122 may be used in  
374 conjunction with creditable service earned under this paragraph,  
375 provided applicable vesting requirements and other existing  
376 statutory conditions required by this chapter are met.

377 5. An elected officer who is elected or appointed to an  
378 elective office and is participating in the Deferred Retirement  
379 Option Program is not subject to termination as provided in s.  
380 121.021(39)(b), or reemployment limitations as provided in s.  
381 121.091(9), until the end of his or her current term of office  
382 or, if the officer is consecutively elected or reelected to an  
383 elective office eligible for coverage under the Florida  
384 Retirement System, until he or she no longer holds such an  
385 elective office, as follows:

386 a. At the end of the 60-month DROP period:

387 (I) The officer's DROP account shall accrue no additional  
388 monthly benefits, but shall continue to earn interest as



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389 provided in s. 121.091(13).

390 (II) No retirement contributions shall be required of the  
391 employer of the elected officer and no additional retirement  
392 credit shall be earned under the Florida Retirement System.

393 b. Nothing herein shall prevent an elected officer from  
394 voluntarily terminating his or her elective office at any time  
395 and electing to receive his or her DROP proceeds. However, until  
396 termination requirements are fulfilled as provided in s.  
397 121.021(39), any elected officer whose termination limitations  
398 are extended by this section shall be ineligible for renewed  
399 membership in the system and shall receive no pension payments,  
400 DROP lump sum payments, or any other state payment other than  
401 the statutorily determined salary, travel, and per diem for the  
402 elective office.

403 c. Upon termination, the officer shall receive his or her  
404 accumulated DROP account, plus interest, and shall accrue and  
405 commence receiving monthly retirement benefits, which shall be  
406 paid on a prospective basis only.

407  
408 However, an officer electing to participate in the Deferred  
409 Retirement Option Program on or before June 30, 2002, shall not  
410 be required to terminate and shall remain subject to the  
411 provisions of this subparagraph as adopted in section 1 of  
412 chapter 2001-235, Laws of Florida.

413 (2) Upon attaining his or her normal retirement date and  
414 payment of the amount specified in paragraphs (1)(b) and (c)  
415 ~~(1)(a) and (b)~~, and upon application to the administrator of the  
416 intent to retire, the member shall receive a monthly benefit  
417 under this section, in addition to any benefits already being



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418 received, which shall commence on the last day of the month of  
419 retirement and be payable on the last day of the month  
420 thereafter during his or her lifetime. The amount of such  
421 monthly benefit shall be the total percentage of retirement  
422 credit purchased under this section multiplied by the member's  
423 average monthly compensation as an elected officer, adjusted  
424 according to the option selected at retirement under s.  
425 121.091(6).

426 Section 4. Paragraph (f) of subsection (1) and paragraphs  
427 (c) and (e) of subsection (6) of section 121.055, Florida  
428 Statutes, are amended to read:

429 121.055 Senior Management Service Class.—There is hereby  
430 established a separate class of membership within the Florida  
431 Retirement System to be known as the "Senior Management Service  
432 Class," which shall become effective February 1, 1987.

433 (1)

434 (f) Effective July 1, 1997:

435 1. Except as provided in subparagraph 3., any elected state  
436 officer eligible for membership in the Elected Officers' Class  
437 under s. 121.052(2)(a), (b), or (c) who elects membership in the  
438 Senior Management Service Class under s. 121.052(3)(c) may,  
439 within 6 months after assuming office or within 6 months after  
440 this act becomes a law for serving elected state officers, elect  
441 to participate in the Senior Management Service Optional Annuity  
442 Program, as provided in subsection (6), in lieu of membership in  
443 the Senior Management Service Class.

444 2. Except as provided in subparagraph 3., any elected  
445 ~~county~~ officer of a local agency employer eligible for  
446 membership in the Elected Officers' Class under s. 121.052(2)(d)





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447 who elects membership in the Senior Management Service Class  
448 under s. 121.052(3)(c) may, within 6 months after assuming  
449 office, or within 6 months after this act becomes a law for  
450 serving elected ~~county~~ officers of a local agency employer,  
451 elect to withdraw from the Florida Retirement System ~~participate~~  
452 ~~in a lifetime monthly annuity program,~~ as provided in  
453 subparagraph (b)2., in lieu of membership in the Senior  
454 Management Service Class.

455 3. Any retiree of a state-administered retirement system  
456 who is initially reemployed on or after January 1, 2010, as an  
457 elected official eligible for Elected Officers' Class membership  
458 shall not be eligible for renewed membership in the Senior  
459 Management Service Class; or in the Senior Management Service  
460 Optional Annuity Program as provided in subsection (6) or to  
461 withdraw from the Florida Retirement System as a renewed member  
462 as provided in subparagraph (b)2., as applicable, in lieu of  
463 Senior Management Service Class membership.

464 (6)

465 (c) *Participation.*—

466 1. a. Except as provided in b., any eligible employee who  
467 is employed on or before February 1, 1987, may elect to  
468 participate in the optional annuity program in lieu of  
469 participation in the Senior Management Service Class. Such  
470 election shall be made in writing and filed with the department  
471 and the personnel officer of the employer on or before May 1,  
472 1987. Any eligible employee who is employed on or before  
473 February 1, 1987, and who fails to make an election to  
474 participate in the optional annuity program by May 1, 1987,  
475 shall be deemed to have elected membership in the Senior



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476 Management Service Class.

477 b. Any retiree of a state-administered retirement system  
478 who is initially reemployed on or after January 1, 2010, is not  
479 eligible for renewed membership in the Senior Management Service  
480 Optional Annuity Program.

481 2. Any employee who becomes eligible to participate in the  
482 optional annuity program by reason of initial employment  
483 commencing after February 1, 1987, may, within 90 days after the  
484 date of commencement of employment, elect to participate in the  
485 optional annuity program. Such election shall be made in writing  
486 and filed with the personnel officer of the employer. Any  
487 eligible employee who does not within 90 days after commencement  
488 of such employment elect to participate in the optional annuity  
489 program shall be deemed to have elected membership in the Senior  
490 Management Service Class.

491 3. A person who is appointed to a position in the Senior  
492 Management Service Class and who is a member of an existing  
493 retirement system or the Special Risk or Special Risk  
494 Administrative Support Classes of the Florida Retirement System  
495 may elect to remain in such system or class in lieu of  
496 participation in the Senior Management Service Class or optional  
497 annuity program. Such election shall be made in writing and  
498 filed with the department and the personnel officer of the  
499 employer within 90 days of such appointment. Any eligible  
500 employee who fails to make an election to participate in the  
501 existing system, the Special Risk Class of the Florida  
502 Retirement System, the Special Risk Administrative Support Class  
503 of the Florida Retirement System, or the optional annuity  
504 program shall be deemed to have elected membership in the Senior



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505 Management Service Class.

506       4. Except as provided in subparagraph 5., an employee's  
507 election to participate in the optional annuity program is  
508 irrevocable as long as such employee continues to be employed in  
509 an eligible position and continues to meet the eligibility  
510 requirements set forth in this paragraph.

511       5. Effective from July 1, 2002, through September 30, 2002,  
512 any active employee in a regularly established position who has  
513 elected to participate in the Senior Management Service Optional  
514 Annuity Program has one opportunity to choose to move from the  
515 Senior Management Service Optional Annuity Program to the  
516 Florida Retirement System defined benefit program.

517       a. The election must be made in writing and must be filed  
518 with the department and the personnel officer of the employer  
519 before October 1, 2002, or, in the case of an active employee  
520 who is on a leave of absence on July 1, 2002, within 90 days  
521 after the conclusion of the leave of absence. This election is  
522 irrevocable.

523       b. The employee will receive service credit under the  
524 defined benefit program of the Florida Retirement System equal  
525 to his or her years of service under the Senior Management  
526 Service Optional Annuity Program. The cost for such credit shall  
527 be an amount representing the present value of that employee's  
528 accumulated benefit obligation for the affected period of  
529 service.

530       c. The employee must transfer the total accumulated  
531 employer contributions and earnings on deposit in his or her  
532 Senior Management Service Optional Annuity Program account. If  
533 the transferred amount is not sufficient to pay the amount due,



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534 the employee must pay a sum representing the remainder of the  
535 amount due. In no case may the employee retain any employer  
536 contributions or earnings thereon from the Senior Management  
537 Service Optional Annuity Program account.

538 (e) *Benefits.*—

539 1. Benefits shall be payable under the Senior Management  
540 Service Optional Annuity Program only to participants in the  
541 program, or their beneficiaries as designated by the participant  
542 in the contract with a provider company, and such benefits shall  
543 be paid by the designated company in accordance with the terms  
544 of the annuity contract or contracts applicable to the  
545 participant. A participant must be terminated from all  
546 employment with all Florida Retirement System employers as  
547 provided in s. 121.021(39) to begin receiving the employer-  
548 funded benefit. Benefits funded by employer contributions shall  
549 be payable under the terms of the contract ~~only as a lifetime~~  
550 ~~annuity~~ to the participant, his or her beneficiary, or his or  
551 her estate, in addition to ~~except for~~:

552 a. A lump-sum payment to the beneficiary upon the death of  
553 the participant;

554 b. A cash-out of a de minimis account upon the request of a  
555 former participant who has been terminated for a minimum of 6  
556 months from the employment that entitled him or her to optional  
557 annuity program participation. ~~A de minimis account is an~~  
558 ~~account with a provider company containing employer~~  
559 ~~contributions and accumulated earnings of not more than \$5,000~~  
560 ~~made under the provisions of this chapter.~~ Such cash-out must be  
561 a complete liquidation of the account balance with that company  
562 and is subject to the provisions of the Internal Revenue Code;



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563 ~~or~~

564 c. A mandatory distribution of a de minimis account of a  
565 former participant who has been terminated for a minimum of 6  
566 months from the employment that entitled him or her to optional  
567 annuity program participation as authorized by the department;

568 or

569 d.e. A lump-sum direct rollover distribution whereby all  
570 accrued benefits, plus interest and investment earnings, are  
571 paid from the participant's account directly to the custodian of  
572 an eligible retirement plan, as defined in s. 402(c)(8)(B) of  
573 the Internal Revenue Code, on behalf of the participant.

574

575 As used in this subparagraph, a "de minimis account" means an  
576 account with a provider company containing employer  
577 contributions and accumulated earnings of not more than \$5,000  
578 made under this chapter.

579 2. The benefits payable to any person under the Senior  
580 Management Service Optional Annuity Program, and any  
581 contribution accumulated under such program, shall not be  
582 subject to assignment, execution, or attachment or to any legal  
583 process whatsoever.

584 3. Except as provided in subparagraph 4., a participant who  
585 terminates employment and receives a distribution, including a  
586 rollover or trustee-to-trustee transfer ~~optional annuity program~~  
587 ~~benefits~~ funded by employer contributions shall be deemed to be  
588 retired from a state-administered retirement system in the event  
589 of subsequent employment with any employer that participates in  
590 the Florida Retirement System.

591 4. A participant who receives optional annuity program



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592 benefits funded by employer contributions as a mandatory  
593 distribution of a de minimis account authorized by the  
594 department will not be considered a retiree.

595 Section 5. Subsections (9), (13), and (14) of section  
596 121.091, Florida Statutes, are amended to read:

597 121.091 Benefits payable under the system.—Benefits may not  
598 be paid under this section unless the member has terminated  
599 employment as provided in s. 121.021(39) (a) or begun  
600 participation in the Deferred Retirement Option Program as  
601 provided in subsection (13), and a proper application has been  
602 filed in the manner prescribed by the department. The department  
603 may cancel an application for retirement benefits when the  
604 member or beneficiary fails to timely provide the information  
605 and documents required by this chapter and the department's  
606 rules. The department shall adopt rules establishing procedures  
607 for application for retirement benefits and for the cancellation  
608 of such application when the required information or documents  
609 are not received.

610 (9) EMPLOYMENT AFTER RETIREMENT; LIMITATION.—

611 (a) Any person who is retired under this chapter, except  
612 under the disability retirement provisions of subsection (4),  
613 may be employed by any private employer or public employer that  
614 does not participate in a state-administered retirement system  
615 and may receive compensation from that employment without  
616 limiting or restricting in any way the retirement benefits  
617 payable to that person.

618 (b) The limitations on receiving a retirement benefit while  
619 reemployed by an employer participating in a state-administered  
620 retirement system are:



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621           1. For retirements effective on or after January 1, 2010,  
622 or DROP participation ending on or after January 1, 2010, the  
623 retiree may not receive a retirement benefit if receiving salary  
624 or wages from reemployment with any agency participating in the  
625 Florida Retirement System subsequent to the date of retirement.  
626 However, a DROP participant may continue employment and receive  
627 a salary during the period of participation in DROP, as provided  
628 in subsection (13). Any person employed in violation of this  
629 sub-subparagraph and any employing agency that employs or  
630 appoints such person without notifying the Division of  
631 Retirement to suspend retirement benefits are jointly and  
632 severally liable for any benefits paid during reemployment. To  
633 avoid liability, the employing agency must have a written  
634 statement from the retiree that he or she is not retired from a  
635 state-administered retirement system. Any retirement benefits  
636 received by a retired member while reemployed by an employer  
637 participating in a state-administered retirement system must be  
638 repaid to the Florida Retirement System Trust Fund, and  
639 retirement benefits shall remain suspended until repayment is  
640 made.

641           2.a. For retirements effective on or after January 1, 2010  
642 or DROP participation ending on or after January 1, 2010, there  
643 shall be no exceptions to reemployment limitations and the  
644 exceptions in subparagraphs (b)4. and (b)5. do not apply.

645           b. For retirements effective before January 1, 2010, or  
646 DROP participation ending before January 1, 2010, a retiree may  
647 not receive a salary from reemployment with any agency  
648 participating in the Florida Retirement System and retirement  
649 benefits under this chapter for 12 calendar months immediately



650 after retirement. However, a DROP participant may continue  
651 employment and receive a salary during the period of  
652 participation in DROP, as provided in subsection (13). Any  
653 person to whom the limitation in this subparagraph applies who  
654 is reemployed with any agency participating in the Florida  
655 Retirement System after he or she has been retired and met the  
656 definition of termination in s. 121.021(39), but before  
657 completion of the 12-month limitation period must give timely  
658 notice of this fact in writing to the employer and to the  
659 Division of Retirement and shall have his or her retirement  
660 benefits suspended while employed during the balance of the 12-  
661 month limitation period unless the person exceeds the 780-hour  
662 reemployment limitation set forth in law. Any person employed in  
663 violation of this sub-subparagraph and any employing agency that  
664 employs or appoints such person without notifying the division  
665 to suspend retirement benefits are jointly and severally liable  
666 for any benefits paid during the reemployment limitation period.  
667 To avoid liability, the employing agency must have a written  
668 statement from the retiree that he or she is not retired from a  
669 state-administered retirement system. Any retirement benefits  
670 received by a retired member while reemployed during this  
671 reemployment limitation period must be repaid to the Florida  
672 Retirement System Trust Fund, and retirement benefits shall  
673 remain suspended until repayment is made. Benefits suspended  
674 beyond the reemployment limitation shall apply toward repayment  
675 of benefits received in violation of the reemployment  
676 limitation.

677 3.a. A district school board may reemploy a retired member  
678 as a substitute or hourly teacher, education paraprofessional,





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679 transportation assistant, bus driver, or food service worker on  
680 a noncontractual basis after he or she has been retired and met  
681 the definition of termination in s. 121.021(39). A district  
682 school board may reemploy a retired member as instructional  
683 personnel, as defined in s. 1012.01(2)(a), on an annual  
684 contractual basis after he or she has met the definition of  
685 termination in s. 121.021(39). Any other retired member who is  
686 reemployed before meeting the definition of termination voids  
687 his or her application for retirement benefits. A district  
688 school board that reemploys such teachers, education  
689 paraprofessionals, transportation assistants, bus drivers, or  
690 food service workers is subject to the retirement contribution  
691 required by law.

692 b. A community college board of trustees may reemploy a  
693 retired member as an adjunct instructor or as a participant in a  
694 phased retirement program within the Florida Community College  
695 System after he or she has been retired and met the definition  
696 of termination in s. 121.021(39). Any retired member who is  
697 reemployed within 1 calendar month after retirement voids his or  
698 her application for retirement benefits. A board of trustees  
699 that reemploys such instructors are subject to the retirement  
700 contribution required by law. A retired member may be reemployed  
701 as an adjunct instructor for no more than 780 hours during the  
702 first 12 calendar months of retirement. Any retired member  
703 reemployed for more than 780 hours during the first 12 months of  
704 retirement must give timely notice in writing to the employer  
705 and to the Division of Retirement of the date he or she will  
706 exceed the limitation. The division shall suspend his or her  
707 retirement benefits for the remainder of the 12-month limitation



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708 period. Any person employed in violation of this subparagraph  
709 and any employing agency that employs or appoints such person  
710 without notifying the division to suspend retirement benefits  
711 are jointly and severally liable for any benefits paid during  
712 the reemployment limitation period. The retiree must submit a  
713 written statement to the employing agency stating that he or she  
714 is not retired from a state-administered retirement system. Any  
715 retirement benefits received by a retired member while  
716 reemployed in excess of 780 hours during the 12-month limitation  
717 period must be repaid to the Florida Retirement System Trust  
718 Fund, and retirement benefits shall remain suspended until  
719 repayment is made. Benefits suspended beyond the end of the 12-  
720 month limitation period shall apply toward repayment of benefits  
721 received in violation of the 780-hour reemployment limitation.

722 c. The State University System may reemploy a retired  
723 member as an adjunct faculty member or as a participant in a  
724 phased retirement program within the State University System  
725 after the retired member has met the definition of termination  
726 in s. 121.021(39). Any retired member who is reemployed before  
727 meeting the definition of termination voids his or her  
728 application for retirement benefits. The State University System  
729 is subject to the retired contribution required in subparagraph  
730 3., as appropriate. A retired member may be reemployed as an  
731 adjunct faculty member or a participant in a phased retirement  
732 program for no more than 780 hours during the first 12 calendar  
733 months of his or her retirement. Any retired member reemployed  
734 for more than 780 hours during the 12-month limitation period  
735 shall give timely notice in writing to the employer and to the  
736 Division of Retirement of the date he or she will exceed the



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737 limitation. The division shall suspend his or her retirement  
738 benefits for the remainder of the 12-month limitation period.  
739 Any person employed in violation of this subparagraph and any  
740 employing agency that employs or appoints such person without  
741 notifying the division to suspend retirement benefits are  
742 jointly and severally liable for any benefits paid during the  
743 reemployment limitation period. The retiree must submit a  
744 written statement to the employing agency stating that he or she  
745 is not retired from a state-administered retirement system. Any  
746 retirement benefits received by a retired member while  
747 reemployed in excess of 780 hours during the first 12 months of  
748 retirement must be repaid to the Florida Retirement System Trust  
749 Fund, and retirement benefits remain suspended until repayment  
750 is made. Benefits suspended beyond the end of the retired  
751 member's 12-month limitation period shall apply toward repayment  
752 of benefits received in violation of the 780-hour reemployment  
753 limitation.

754 d. The Board of Trustees of the Florida School for the Deaf  
755 and the Blind may reemploy a retired member as a substitute  
756 teacher, substitute residential instructor, or substitute nurse  
757 on a noncontractual basis after he or she has met the definition  
758 of termination in s. 121.021(39). The Board of Trustees of the  
759 Florida School for the Deaf and the Blind may reemploy a retired  
760 member as instructional personnel, as defined in s. 1012.01(2),  
761 on an annual contractual basis after he or she has been retired  
762 and met the definition of termination in s. 121.021(39). Any  
763 retired member who is reemployed before meeting the definition  
764 of termination voids his or her application for retirement  
765 benefits. The Board of Trustees of the Florida School for the



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766 Deaf and the Blind reemploying such teachers, residential  
767 instructors, or nurses is subject to the retirement contribution  
768 required by subparagraph 3.

769 e. A developmental research school may reemploy a retired  
770 member as a substitute or hourly teacher or an education  
771 paraprofessional, as defined in s. 1012.01(2), on a  
772 noncontractual basis after he or she has been retired and met  
773 the definition of termination in s. 121.021(39). A developmental  
774 research school may reemploy a retired member as instructional  
775 personnel, as defined in s. 1012.01(2), on an annual contractual  
776 basis after he or she has been retired and met the definition of  
777 termination in s. 121.021(39). A developmental research school  
778 that reemploys retired teachers and education paraprofessionals  
779 are subject to the retirement contribution required by  
780 subparagraph 3.

781 f. A charter school may reemploy a retired member as a  
782 substitute or hourly teacher on a noncontractual basis after he  
783 or she has been retired and met the definition of termination in  
784 s. 121.021(39). A charter school may reemploy a retired member  
785 as instructional personnel, as defined in s. 1012.01(2), on an  
786 annual contractual basis after he or she has been retired and  
787 met the definition of termination in s. 121.021(39). A charter  
788 school that reemploys such members is subject to the retirement  
789 contribution required by subparagraph 3.

790 g. An employing agency may reemploy a retired member as a  
791 firefighter or paramedic after the retired member has been  
792 retired and met the definition of termination in s. 121.021(39).  
793 Any retired member who is reemployed within 1 calendar month  
794 after retirement shall void his or her application for



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795 retirement benefits. The employing agency reemploying such  
796 firefighter or paramedic is subject to the retired contribution  
797 required in subparagraph 3. Reemployment of a retired  
798 firefighter or paramedic is limited to no more than 780 hours  
799 during the first 12 calendar months of his or her retirement.  
800 Any retired member reemployed for more than 780 hours during the  
801 first 12 months of retirement must give timely notice in writing  
802 to the employer and to the Division of Retirement of the date he  
803 or she will exceed the limitation. The division shall suspend  
804 his or her retirement benefits for the remainder of the 12-month  
805 limitation period. Any person employed in violation of this  
806 subparagraph and any employing agency that employs or appoints  
807 such person without notifying the division to suspend retirement  
808 benefits are jointly and severally liable for any benefits paid  
809 during the reemployment limitation period. The retiree must  
810 submit a written statement to the employing agency stating that  
811 he or she is not retired from a state-administered retirement  
812 system. Any retirement benefits received by a retired member  
813 while reemployed in excess of 780 hours during the 12-month  
814 limitation period must be repaid to the Florida Retirement  
815 System Trust Fund, and retirement benefits shall remain  
816 suspended until repayment is made. Benefits suspended beyond the  
817 end of the 12-month limitation period shall apply toward  
818 repayment of benefits received in violation of the 780-hour  
819 reemployment limitation.

820 4.a. The employment of a retiree or DROP participant of a  
821 state-administered retirement system does not affect the average  
822 final compensation or years of creditable service of the retiree  
823 or DROP participant.



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824           b.(I) Before to July 1, 1991, upon employment of any  
825 person, other than an elected officer as provided in s. 121.053,  
826 who is retired under a state-administered retirement program,  
827 the employer shall pay retirement contributions in an amount  
828 equal to the unfunded actuarial liability portion of the  
829 employer contribution which would be required for regular  
830 members of the Florida Retirement System.

831           (II) For retirees initially reemployed from July 1, 1991  
832 through December 31, 2009, contributions shall be made as  
833 provided in s. 121.122 for retirees who have renewed membership  
834 or as provided in subsection (13) for DROP participants.

835           c. Any person who is retired under a state-administered  
836 retirement program and who is initially reemployed on or after  
837 January 1, 2010, may not renew membership in the Florida  
838 Retirement System. The employer shall pay retirement  
839 contributions in an amount equal to the unfunded actuarial  
840 liability portion of the employer contribution that would be  
841 required for active members of the Florida Retirement System in  
842 addition to the contributions required by s. 121.76.

843           5.a. Any person who has retired and who is holding an  
844 elective public office or an appointment to an elective public  
845 office eligible for the Elected Officers' Class on or after July  
846 1, 1990, and initially enrolled through December 31, 2009, shall  
847 be enrolled in the Florida Retirement System as provided in s.  
848 121.053(1)(c) or, if holding an elective public office that does  
849 not qualify for the Elected Officers' Class on or after July 1,  
850 1991, and initially enrolled through December 31, 2009, shall be  
851 enrolled in the Florida Retirement System as provided in s.  
852 121.122, and shall continue to receive retirement benefits as



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853 well as compensation for the elected officer's service for as  
854 long as he or she remains in elective office. However, any  
855 retired member who served in an elective office before July 1,  
856 1990, suspended his or her retirement benefit, and had his or  
857 her Florida Retirement System membership reinstated shall, upon  
858 retirement from such office, have his or her retirement benefit  
859 recalculated to include the additional service and compensation  
860 earned.

861 b. A retiree with renewed membership established before  
862 January 1, 2010 and who is not receiving a benefit based on this  
863 service, who is elected or appointed to an elective office shall  
864 become a member of the Elected Officers' Class or the Regular  
865 Class depending upon the designation for the position.

866 c. A retiree who is elected or appointed to an elective  
867 office on or after January 1, 2010 and who is initially  
868 reemployed in a position covered by the Florida Retirement  
869 System shall not be enrolled in the Florida Retirement System  
870 and shall not receive retirement benefits after meeting the  
871 definition of termination in s. 121.021(39).

872 6. Any person who is holding an elective public office  
873 which is covered by the Florida Retirement System and who is  
874 concurrently employed in nonelected covered employment may elect  
875 to retire while continuing employment in the elective public  
876 office if he or she terminates his or her nonelected covered  
877 employment.

878 a. For retirements effective before January 1, 2010 or DROP  
879 participation ending before January 1, 2010, any person who  
880 exercises this election shall receive his or her retirement  
881 benefits in addition to the compensation of the elective office



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882 without regard to the time limitations otherwise provided in  
883 this subsection. A person who seeks to exercise the provisions  
884 of this subparagraph, as they existed before May 3, 1984, may  
885 not be deemed to be retired under those provisions unless the  
886 person is eligible to retire under the provisions of this  
887 subparagraph as amended by chapter 84-11, Laws of Florida.

888 b. For retirements effective on or after January 1, 2010 or  
889 DROP participation ending on or after January 1, 2010, any  
890 person who exercises this election shall not receive his or her  
891 retirement benefits in addition to the compensation of the  
892 elective office.

893 7. The limitations of this paragraph apply to reemployment  
894 in any capacity with an employer irrespective of the category of  
895 funds from which the person is compensated.

896 8. This paragraph regarding reemployment after retirement  
897 applies to DROP participants effective upon termination from  
898 employment and the end of DROP participation.

899 (c) This subsection applies to retirees, as defined in s.  
900 121.4501(2), of the Public Employee Optional Retirement Program  
901 created in part II, subject to the following conditions:

902 1. Such retirees may not be reemployed with an employer  
903 participating in the Florida Retirement System as provided in  
904 paragraph (b) until the person has been retired for 3 calendar  
905 months, unless the participant has reached the normal retirement  
906 requirements of the defined benefit plan as provided in s.  
907 121.021(29).

908 2. The retiree employed in violation of this subsection and  
909 any employing agency that employs or appoints such person shall  
910 be jointly and severally liable for reimbursement of any





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911 benefits paid to the retirement trust fund from which the  
912 benefits were paid, including the Retirement System Trust Fund  
913 and the Public Employee Optional Retirement Program Trust Fund,  
914 as appropriate. To be employed, the retiree must submit to the  
915 employing agency a written statement that he or she is not  
916 retired from a state-administered retirement system.

917 ~~(a) Any person who is retired under this chapter, except~~  
918 ~~under the disability retirement provisions of subsection (4),~~  
919 ~~may be employed by an employer that does not participate in a~~  
920 ~~state-administered retirement system and may receive~~  
921 ~~compensation from that employment without limiting or~~  
922 ~~restricting in any way the retirement benefits payable to that~~  
923 ~~person.~~

924 ~~(b)1. Any person who is retired under this chapter, except~~  
925 ~~under the disability retirement provisions of subsection (4),~~  
926 ~~may be reemployed by any private or public employer after~~  
927 ~~retirement and receive retirement benefits and compensation from~~  
928 ~~his or her employer without any limitations, except that a~~  
929 ~~person may not receive both a salary from reemployment with any~~  
930 ~~agency participating in the Florida Retirement System and~~  
931 ~~retirement benefits under this chapter for a period of 12 months~~  
932 ~~immediately subsequent to the date of retirement. However, a~~  
933 ~~DROP participant shall continue employment and receive a salary~~  
934 ~~during the period of participation in the Deferred Retirement~~  
935 ~~Option Program, as provided in subsection (13).~~

936 ~~2. Any person to whom the limitation in subparagraph 1.~~  
937 ~~applies who violates such reemployment limitation and who is~~  
938 ~~reemployed with any agency participating in the Florida~~  
939 ~~Retirement System before completion of the 12-month limitation~~



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940 ~~period shall give timely notice of this fact in writing to the~~  
941 ~~employer and to the division and shall have his or her~~  
942 ~~retirement benefits suspended for the balance of the 12-month~~  
943 ~~limitation period. Any person employed in violation of this~~  
944 ~~paragraph and any employing agency which knowingly employs or~~  
945 ~~appoints such person without notifying the Division of~~  
946 ~~Retirement to suspend retirement benefits shall be jointly and~~  
947 ~~severally liable for reimbursement to the retirement trust fund~~  
948 ~~of any benefits paid during the reemployment limitation period.~~  
949 ~~To avoid liability, such employing agency shall have a written~~  
950 ~~statement from the retiree that he or she is not retired from a~~  
951 ~~state-administered retirement system. Any retirement benefits~~  
952 ~~received while reemployed during this reemployment limitation~~  
953 ~~period shall be repaid to the retirement trust fund, and~~  
954 ~~retirement benefits shall remain suspended until such repayment~~  
955 ~~has been made. Benefits suspended beyond the reemployment~~  
956 ~~limitation shall apply toward repayment of benefits received in~~  
957 ~~violation of the reemployment limitation.~~

958 ~~3. A district school board may reemploy a retired member as~~  
959 ~~a substitute or hourly teacher, education paraprofessional,~~  
960 ~~transportation assistant, bus driver, or food service worker on~~  
961 ~~a noncontractual basis after he or she has been retired for 1~~  
962 ~~calendar month, in accordance with s. 121.021(39). A district~~  
963 ~~school board may reemploy a retired member as instructional~~  
964 ~~personnel, as defined in s. 1012.01(2)(a), on an annual~~  
965 ~~contractual basis after he or she has been retired for 1~~  
966 ~~calendar month, in accordance with s. 121.021(39). Any other~~  
967 ~~retired member who is reemployed within 1 calendar month after~~  
968 ~~retirement shall void his or her application for retirement~~



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969 ~~benefits. District school boards reemploying such teachers,~~  
970 ~~education paraprofessionals, transportation assistants, bus~~  
971 ~~drivers, or food service workers are subject to the retirement~~  
972 ~~contribution required by subparagraph 7.~~

973 ~~4. A community college board of trustees may reemploy a~~  
974 ~~retired member as an adjunct instructor, that is, an instructor~~  
975 ~~who is noncontractual and part-time, or as a participant in a~~  
976 ~~phased retirement program within the Florida Community College~~  
977 ~~System, after he or she has been retired for 1 calendar month,~~  
978 ~~in accordance with s. 121.021(39). Any retired member who is~~  
979 ~~reemployed within 1 calendar month after retirement shall void~~  
980 ~~his or her application for retirement benefits. Boards of~~  
981 ~~trustees reemploying such instructors are subject to the~~  
982 ~~retirement contribution required in subparagraph 7. A retired~~  
983 ~~member may be reemployed as an adjunct instructor for no more~~  
984 ~~than 780 hours during the first 12 months of retirement. Any~~  
985 ~~retired member reemployed for more than 780 hours during the~~  
986 ~~first 12 months of retirement shall give timely notice in~~  
987 ~~writing to the employer and to the division of the date he or~~  
988 ~~she will exceed the limitation. The division shall suspend his~~  
989 ~~or her retirement benefits for the remainder of the first 12~~  
990 ~~months of retirement. Any person employed in violation of this~~  
991 ~~subparagraph and any employing agency which knowingly employs or~~  
992 ~~appoints such person without notifying the Division of~~  
993 ~~Retirement to suspend retirement benefits shall be jointly and~~  
994 ~~severally liable for reimbursement to the retirement trust fund~~  
995 ~~of any benefits paid during the reemployment limitation period.~~  
996 ~~To avoid liability, such employing agency shall have a written~~  
997 ~~statement from the retiree that he or she is not retired from a~~



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998 ~~state-administered retirement system. Any retirement benefits~~  
999 ~~received by a retired member while reemployed in excess of 780~~  
1000 ~~hours during the first 12 months of retirement shall be repaid~~  
1001 ~~to the Retirement System Trust Fund, and retirement benefits~~  
1002 ~~shall remain suspended until repayment is made. Benefits~~  
1003 ~~suspended beyond the end of the retired member's first 12 months~~  
1004 ~~of retirement shall apply toward repayment of benefits received~~  
1005 ~~in violation of the 780-hour reemployment limitation.~~

1006 ~~5. The State University System may reemploy a retired~~  
1007 ~~member as an adjunct faculty member or as a participant in a~~  
1008 ~~phased retirement program within the State University System~~  
1009 ~~after the retired member has been retired for 1 calendar month,~~  
1010 ~~in accordance with s. 121.021(39). Any retired member who is~~  
1011 ~~reemployed within 1 calendar month after retirement shall void~~  
1012 ~~his or her application for retirement benefits. The State~~  
1013 ~~University System is subject to the retired contribution~~  
1014 ~~required in subparagraph 7., as appropriate. A retired member~~  
1015 ~~may be reemployed as an adjunct faculty member or a participant~~  
1016 ~~in a phased retirement program for no more than 780 hours during~~  
1017 ~~the first 12 months of his or her retirement. Any retired member~~  
1018 ~~reemployed for more than 780 hours during the first 12 months of~~  
1019 ~~retirement shall give timely notice in writing to the employer~~  
1020 ~~and to the division of the date he or she will exceed the~~  
1021 ~~limitation. The division shall suspend his or her retirement~~  
1022 ~~benefits for the remainder of the first 12 months of retirement.~~  
1023 ~~Any person employed in violation of this subparagraph and any~~  
1024 ~~employing agency which knowingly employs or appoints such person~~  
1025 ~~without notifying the Division of Retirement to suspend~~  
1026 ~~retirement benefits shall be jointly and severally liable for~~



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1027 ~~reimbursement to the retirement trust fund of any benefits paid~~  
1028 ~~during the reemployment limitation period. To avoid liability,~~  
1029 ~~such employing agency shall have a written statement from the~~  
1030 ~~retiree that he or she is not retired from a state administered~~  
1031 ~~retirement system. Any retirement benefits received by a retired~~  
1032 ~~member while reemployed in excess of 780 hours during the first~~  
1033 ~~12 months of retirement shall be repaid to the Retirement System~~  
1034 ~~Trust Fund, and retirement benefits shall remain suspended until~~  
1035 ~~repayment is made. Benefits suspended beyond the end of the~~  
1036 ~~retired member's first 12 months of retirement shall apply~~  
1037 ~~toward repayment of benefits received in violation of the 780-~~  
1038 ~~hour reemployment limitation.~~

1039 ~~6. The Board of Trustees of the Florida School for the Deaf~~  
1040 ~~and the Blind may reemploy a retired member as a substitute~~  
1041 ~~teacher, substitute residential instructor, or substitute nurse~~  
1042 ~~on a noncontractual basis after he or she has been retired for 1~~  
1043 ~~calendar month, in accordance with s. 121.021(39). Any retired~~  
1044 ~~member who is reemployed within 1 calendar month after~~  
1045 ~~retirement shall void his or her application for retirement~~  
1046 ~~benefits. The Board of Trustees of the Florida School for the~~  
1047 ~~Deaf and the Blind reemploying such teachers, residential~~  
1048 ~~instructors, or nurses is subject to the retirement contribution~~  
1049 ~~required by subparagraph 7. Reemployment of a retired member as~~  
1050 ~~a substitute teacher, substitute residential instructor, or~~  
1051 ~~substitute nurse is limited to 780 hours during the first 12~~  
1052 ~~months of his or her retirement. Any retired member reemployed~~  
1053 ~~for more than 780 hours during the first 12 months of retirement~~  
1054 ~~shall give timely notice in writing to the employer and to the~~  
1055 ~~division of the date he or she will exceed the limitation. The~~



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1056 ~~division shall suspend his or her retirement benefits for the~~  
1057 ~~remainder of the first 12 months of retirement. Any person~~  
1058 ~~employed in violation of this subparagraph and any employing~~  
1059 ~~agency which knowingly employs or appoints such person without~~  
1060 ~~notifying the Division of Retirement to suspend retirement~~  
1061 ~~benefits shall be jointly and severally liable for reimbursement~~  
1062 ~~to the retirement trust fund of any benefits paid during the~~  
1063 ~~reemployment limitation period. To avoid liability, such~~  
1064 ~~employing agency shall have a written statement from the retiree~~  
1065 ~~that he or she is not retired from a state-administered~~  
1066 ~~retirement system. Any retirement benefits received by a retired~~  
1067 ~~member while reemployed in excess of 780 hours during the first~~  
1068 ~~12 months of retirement shall be repaid to the Retirement System~~  
1069 ~~Trust Fund, and his or her retirement benefits shall remain~~  
1070 ~~suspended until payment is made. Benefits suspended beyond the~~  
1071 ~~end of the retired member's first 12 months of retirement shall~~  
1072 ~~apply toward repayment of benefits received in violation of the~~  
1073 ~~780-hour reemployment limitation.~~

1074 ~~7. The employment by an employer of any retiree or DROP~~  
1075 ~~participant of any state-administered retirement system shall~~  
1076 ~~have no effect on the average final compensation or years of~~  
1077 ~~creditable service of the retiree or DROP participant. Prior to~~  
1078 ~~July 1, 1991, upon employment of any person, other than an~~  
1079 ~~elected officer as provided in s. 121.053, who has been retired~~  
1080 ~~under any state-administered retirement program, the employer~~  
1081 ~~shall pay retirement contributions in an amount equal to the~~  
1082 ~~unfunded actuarial liability portion of the employer~~  
1083 ~~contribution which would be required for regular members of the~~  
1084 ~~Florida Retirement System. Effective July 1, 1991, contributions~~



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1085 ~~shall be made as provided in s. 121.122 for retirees with~~  
1086 ~~renewed membership or subsection (13) with respect to DROP~~  
1087 ~~participants.~~

1088 ~~8. Any person who has previously retired and who is holding~~  
1089 ~~an elective public office or an appointment to an elective~~  
1090 ~~public office eligible for the Elected Officers' Class on or~~  
1091 ~~after July 1, 1990, shall be enrolled in the Florida Retirement~~  
1092 ~~System as provided in s. 121.053(1)(b) or, if holding an~~  
1093 ~~elective public office that does not qualify for the Elected~~  
1094 ~~Officers' Class on or after July 1, 1991, shall be enrolled in~~  
1095 ~~the Florida Retirement System as provided in s. 121.122, and~~  
1096 ~~shall continue to receive retirement benefits as well as~~  
1097 ~~compensation for the elected officer's service for as long as he~~  
1098 ~~or she remains in elective office. However, any retired member~~  
1099 ~~who served in an elective office prior to July 1, 1990,~~  
1100 ~~suspended his or her retirement benefit, and had his or her~~  
1101 ~~Florida Retirement System membership reinstated shall, upon~~  
1102 ~~retirement from such office, have his or her retirement benefit~~  
1103 ~~recalculated to include the additional service and compensation~~  
1104 ~~earned.~~

1105 ~~9. Any person who is holding an elective public office~~  
1106 ~~which is covered by the Florida Retirement System and who is~~  
1107 ~~concurrently employed in nonelected covered employment may elect~~  
1108 ~~to retire while continuing employment in the elective public~~  
1109 ~~office, provided that he or she shall be required to terminate~~  
1110 ~~his or her nonelected covered employment. Any person who~~  
1111 ~~exercises this election shall receive his or her retirement~~  
1112 ~~benefits in addition to the compensation of the elective office~~  
1113 ~~without regard to the time limitations otherwise provided in~~



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1114 ~~this subsection. No person who seeks to exercise the provisions~~  
1115 ~~of this subparagraph, as the same existed prior to May 3, 1984,~~  
1116 ~~shall be deemed to be retired under those provisions, unless~~  
1117 ~~such person is eligible to retire under the provisions of this~~  
1118 ~~subparagraph, as amended by chapter 84-11, Laws of Florida.~~

1119 ~~10. The limitations of this paragraph apply to reemployment~~  
1120 ~~in any capacity with an "employer" as defined in s. 121.021(10),~~  
1121 ~~irrespective of the category of funds from which the person is~~  
1122 ~~compensated.~~

1123 ~~11. An employing agency may reemploy a retired member as a~~  
1124 ~~firefighter or paramedic after the retired member has been~~  
1125 ~~retired for 1 calendar month, in accordance with s. 121.021(39).~~  
1126 ~~Any retired member who is reemployed within 1 calendar month~~  
1127 ~~after retirement shall void his or her application for~~  
1128 ~~retirement benefits. The employing agency reemploying such~~  
1129 ~~firefighter or paramedic is subject to the retired contribution~~  
1130 ~~required in subparagraph 8. Reemployment of a retired~~  
1131 ~~firefighter or paramedic is limited to no more than 780 hours~~  
1132 ~~during the first 12 months of his or her retirement. Any retired~~  
1133 ~~member reemployed for more than 780 hours during the first 12~~  
1134 ~~months of retirement shall give timely notice in writing to the~~  
1135 ~~employer and to the division of the date he or she will exceed~~  
1136 ~~the limitation. The division shall suspend his or her retirement~~  
1137 ~~benefits for the remainder of the first 12 months of retirement.~~  
1138 ~~Any person employed in violation of this subparagraph and any~~  
1139 ~~employing agency which knowingly employs or appoints such person~~  
1140 ~~without notifying the Division of Retirement to suspend~~  
1141 ~~retirement benefits shall be jointly and severally liable for~~  
1142 ~~reimbursement to the Retirement System Trust Fund of any~~





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1143 ~~benefits paid during the reemployment limitation period. To~~  
1144 ~~avoid liability, such employing agency shall have a written~~  
1145 ~~statement from the retiree that he or she is not retired from a~~  
1146 ~~state-administered retirement system. Any retirement benefits~~  
1147 ~~received by a retired member while reemployed in excess of 780~~  
1148 ~~hours during the first 12 months of retirement shall be repaid~~  
1149 ~~to the Retirement System Trust Fund, and retirement benefits~~  
1150 ~~shall remain suspended until repayment is made. Benefits~~  
1151 ~~suspended beyond the end of the retired member's first 12 months~~  
1152 ~~of retirement shall apply toward repayment of benefits received~~  
1153 ~~in violation of the 780-hour reemployment limitation.~~

1154 ~~(c) The provisions of this subsection apply to retirees, as~~  
1155 ~~defined in s. 121.4501(2)(j), of the Public Employee Optional~~  
1156 ~~Retirement Program created in part II, subject to the following~~  
1157 ~~conditions:~~

1158 ~~1. Such retirees may not be reemployed with an employer~~  
1159 ~~participating in the Florida Retirement System as provided in~~  
1160 ~~paragraph (b) until such person has been retired for 3 calendar~~  
1161 ~~months, unless the participant has reached the normal retirement~~  
1162 ~~requirements of the defined benefit plan as provided in s.~~  
1163 ~~121.021(29).~~

1164 ~~2. Such retiree employed in violation of this subsection~~  
1165 ~~and any employing agency that knowingly employs or appoints such~~  
1166 ~~person shall be jointly and severally liable for reimbursement~~  
1167 ~~of any benefits paid to the retirement trust fund from which the~~  
1168 ~~benefits were paid, including the Retirement System Trust Fund~~  
1169 ~~and the Public Employee Optional Retirement Program Trust Fund,~~  
1170 ~~as appropriate. To avoid liability, such employing agency must~~  
1171 ~~have a written statement from the retiree that he or she is not~~



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1172 ~~retired from a state-administered retirement system.~~

1173       (13) DEFERRED RETIREMENT OPTION PROGRAM.—In general, and  
1174 subject to ~~the provisions of~~ this section, the Deferred  
1175 Retirement Option Program, hereinafter referred to as the DROP,  
1176 is a program under which an eligible member of the Florida  
1177 Retirement System may elect to participate, deferring receipt of  
1178 retirement benefits while continuing employment with his or her  
1179 Florida Retirement System employer. The deferred monthly  
1180 benefits shall accrue in the Florida Retirement System Trust  
1181 Fund on behalf of the participant, plus interest compounded  
1182 monthly, for the specified period of ~~the~~ DROP participation, as  
1183 provided in paragraph (c). Upon termination of employment, the  
1184 participant shall receive the total DROP benefits and begin to  
1185 receive the previously determined normal retirement benefits.  
1186 Participation in ~~the~~ DROP does not guarantee employment for the  
1187 specified period of DROP. Participation in ~~the~~ DROP by an  
1188 eligible member beyond the initial 60-month period as authorized  
1189 in this subsection shall be on an annual contractual basis for  
1190 all participants.

1191       (a) *Eligibility of member to participate in ~~the~~ DROP.*—All  
1192 active Florida Retirement System members in a regularly  
1193 established position, and all active members of ~~either~~ the  
1194 Teachers' Retirement System established in chapter 238 or the  
1195 State and County Officers' and Employees' Retirement System  
1196 established in chapter 122, which systems ~~are~~ consolidated  
1197 within the Florida Retirement System under s. 121.011, are  
1198 eligible to elect participation in ~~the~~ DROP if provided that:

1199       1. The member is not a renewed member ~~of the Florida~~  
1200 ~~Retirement System~~ under s. 121.122, or a member of the State



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1201 Community College System Optional Retirement Program under s.  
1202 121.051, the Senior Management Service Optional Annuity Program  
1203 under s. 121.055, or the optional retirement program for the  
1204 State University System under s. 121.35.

1205 2. Except as provided in subparagraph 6., election to  
1206 participate is made within 12 months immediately following the  
1207 date on which the member first reaches normal retirement date,  
1208 or, for a member who reaches normal retirement date ~~based on~~  
1209 ~~service~~ before he or she reaches age 62, or age 55 for Special  
1210 Risk Class members, election to participate may be deferred to  
1211 the 12 months immediately following the date the member attains  
1212 57, or age 52 for Special Risk Class members. A member who  
1213 delays DROP participation during the 12-month period immediately  
1214 following his or her maximum DROP deferral date, except as  
1215 provided in subparagraph 6., loses a month of DROP participation  
1216 for each month delayed. ~~For a member who first reached normal~~  
1217 ~~retirement date or the deferred eligibility date described above~~  
1218 ~~prior to the effective date of this section, election to~~  
1219 ~~participate shall be made within 12 months after the effective~~  
1220 ~~date of this section.~~ A member who fails to make an election  
1221 within the such 12-month limitation period forfeits shall  
1222 ~~forfeit~~ all rights to participate in ~~the~~ DROP. The member shall  
1223 advise his or her employer and the division in writing of the  
1224 date ~~on which the~~ DROP begins shall begin. The Such beginning  
1225 date may be subsequent to the 12-month election period, but must  
1226 be within the original 60-month participation ~~or, with respect~~  
1227 ~~to members who are instructional personnel employed by the~~  
1228 ~~Florida School for the Deaf and the Blind and who have received~~  
1229 ~~authorization by the Board of Trustees of the Florida School for~~



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1230 ~~the Deaf and the Blind to participate in the DROP beyond 60~~  
1231 ~~months, or who are instructional personnel as defined in s.~~  
1232 ~~1012.01(2) (a) - (d) in grades K-12 and who have received~~  
1233 ~~authorization by the district school superintendent to~~  
1234 ~~participate in the DROP beyond 60 months, the 96-month~~  
1235 ~~limitation period as provided in subparagraph (b)1. When~~  
1236 ~~establishing eligibility of the member to participate in the~~  
1237 ~~DROP for the 60-month or, with respect to members who are~~  
1238 ~~instructional personnel employed by the Florida School for the~~  
1239 ~~Deaf and the Blind and who have received authorization by the~~  
1240 ~~Board of Trustees of the Florida School for the Deaf and the~~  
1241 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
1242 ~~instructional personnel as defined in s. 1012.01(2) (a) - (d) in~~  
1243 ~~grades K-12 and who have received authorization by the district~~  
1244 ~~school superintendent to participate in the DROP beyond 60~~  
1245 ~~months, the 96-month maximum participation period, the member~~  
1246 ~~may elect to include or exclude any optional service credit~~  
1247 ~~purchased by the member from the total service used to establish~~  
1248 ~~the normal retirement date. A member who has with dual normal~~  
1249 ~~retirement dates is shall be eligible to elect to participate in~~  
1250 ~~DROP within 12 months after attaining normal retirement date in~~  
1251 ~~either class.~~

1252         3. The employer of a member electing to participate in ~~the~~  
1253 ~~DROP, or employers if dually employed, shall acknowledge in~~  
1254 ~~writing to the division the date the member's participation in~~  
1255 ~~the DROP begins and the date the member's employment and DROP~~  
1256 ~~participation will terminate.~~

1257         4. Simultaneous employment of a participant by additional  
1258 Florida Retirement System employers subsequent to the



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1259 commencement of participation in ~~the~~ DROP is ~~shall be~~  
1260 permissible if the ~~provided such~~ employers acknowledge in  
1261 writing a DROP termination date no later than the participant's  
1262 existing termination date or the ~~60-month limitation~~ period as  
1263 provided in subparagraph (b)1.

1264 5. A DROP participant may change employers while  
1265 participating in ~~the~~ DROP, subject to the following:

1266 a. A change of employment must take place without a break  
1267 in service so that the member receives salary for each month of  
1268 continuous DROP participation. If a member receives no salary  
1269 during a month, DROP participation shall cease unless the  
1270 employer verifies a continuation of the employment relationship  
1271 for such participant pursuant to s. 121.021(39)(b).

1272 b. Such participant and new employer shall notify the  
1273 division of the identity of the new employer on forms required  
1274 by the division ~~as to the identity of the new employer~~.

1275 c. The new employer shall acknowledge, in writing, the  
1276 participant's DROP termination date, which may be extended but  
1277 not beyond the maximum participation ~~original 60-month or, with~~  
1278 ~~respect to members who are instructional personnel employed by~~  
1279 ~~the Florida School for the Deaf and the Blind and who have~~  
1280 ~~received authorization by the Board of Trustees of the Florida~~  
1281 ~~School for the Deaf and the Blind to participate in the DROP~~  
1282 ~~beyond 60 months, or who are instructional personnel as defined~~  
1283 ~~in s. 1012.01(2)(a)-(d) in grades K-12 and who have received~~  
1284 ~~authorization by the district school superintendent to~~  
1285 ~~participate in the DROP beyond 60 months, the 96-month period~~  
1286 provided in subparagraph (b)1., shall acknowledge liability for  
1287 any additional retirement contributions and interest required if



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1288 the participant fails to timely terminate employment, and is  
1289 ~~shall be~~ subject to the adjustment required in sub-subparagraph  
1290 (c)5.d.

1291 6. Effective July 1, 2001, for instructional personnel as  
1292 defined in s. 1012.01(2), election to participate in ~~the~~ DROP is  
1293 ~~shall be~~ made at any time following the date on which the member  
1294 first reaches normal retirement date. The member shall advise  
1295 his or her employer and the division in writing of the date on  
1296 which DROP begins ~~the Deferred Retirement Option Program shall~~  
1297 ~~begin~~. When establishing eligibility of the member to  
1298 participate in ~~the~~ DROP for the 60-month ~~or, with respect to~~  
1299 ~~members who are instructional personnel employed by the Florida~~  
1300 ~~School for the Deaf and the Blind and who have received~~  
1301 ~~authorization by the Board of Trustees of the Florida School for~~  
1302 ~~the Deaf and the Blind to participate in the DROP beyond 60~~  
1303 ~~months, or who are instructional personnel as defined in s.~~  
1304 ~~1012.01(2) (a)-(d) in grades K-12 and who have received~~  
1305 ~~authorization by the district school superintendent to~~  
1306 ~~participate in the DROP beyond 60 months, the 96-month maximum~~  
1307 ~~participation period, as provided in subparagraph (b)1., the~~  
1308 member may elect to include or exclude any optional service  
1309 credit purchased by the member from the total service used to  
1310 establish the normal retirement date. A member who has ~~with~~ dual  
1311 normal retirement dates is ~~shall be~~ eligible to elect to  
1312 participate in either class.

1313 (b) *Participation in ~~the~~ DROP.-*

1314 1.a. Except as provided in sub-subparagraph b., an eligible  
1315 member may elect to participate in ~~the~~ DROP for a period not to  
1316 exceed a maximum of 60 calendar months. ~~or, with respect to~~



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1317            b. Members who are instructional personnel employed by the  
1318 Florida School for the Deaf and the Blind and authorized ~~who~~  
1319 ~~have received authorization~~ by the Board of Trustees of the  
1320 Florida School for the Deaf and the Blind ~~to participate in the~~  
1321 ~~DROP beyond 60 months~~, or who are instructional personnel as  
1322 defined in s. 1012.01(2)(a)-(d) in grades K-12 and authorized  
1323 ~~who have received authorization~~ by the district school  
1324 superintendent ~~to participate in the DROP beyond 60 calendar~~  
1325 ~~months~~, or who are instructional personnel as defined in s.  
1326 1012.01(2) employed by a developmental research school and  
1327 authorized by the school's director, or if the school has no  
1328 director, by the school's principal, may participate in DROP for  
1329 up to 36 calendar months beyond the 60-month period specified in  
1330 sub-subparagraph a. 96 calendar months immediately following the  
1331 ~~date on which the member first reaches his or her normal~~  
1332 ~~retirement date or the date to which he or she is eligible to~~  
1333 ~~defer his or her election to participate as provided in~~  
1334 ~~subparagraph (a)2. However, a member who has reached normal~~  
1335 ~~retirement date prior to the effective date of the DROP shall be~~  
1336 ~~eligible to participate in the DROP for a period of time not to~~  
1337 ~~exceed 60 calendar months or, with respect to members who are~~  
1338 ~~instructional personnel employed by the Florida School for the~~  
1339 ~~Deaf and the Blind and who have received authorization by the~~  
1340 ~~Board of Trustees of the Florida School for the Deaf and the~~  
1341 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
1342 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
1343 ~~grades K-12 and who have received authorization by the district~~  
1344 ~~school superintendent to participate in the DROP beyond 60~~  
1345 ~~calendar months, 96 calendar months immediately following the~~



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1346 ~~effective date of the DROP, except a member of the Special Risk~~  
1347 ~~Class who has reached normal retirement date prior to the~~  
1348 ~~effective date of the DROP and whose total accrued value exceeds~~  
1349 ~~75 percent of average final compensation as of his or her~~  
1350 ~~effective date of retirement shall be eligible to participate in~~  
1351 ~~the DROP for no more than 36 calendar months immediately~~  
1352 ~~following the effective date of the DROP.~~

1353 2. Upon deciding to participate in ~~the~~ DROP, the member  
1354 shall submit, on forms required by the division:

1355 a. A written election to participate in the DROP;

1356 b. Selection of ~~the~~ DROP participation and termination  
1357 dates, which satisfy the limitations stated in paragraph (a) and  
1358 subparagraph 1. The ~~Such~~ termination date must ~~shall~~ be in a  
1359 binding letter of resignation to ~~with~~ the employer, establishing  
1360 a deferred termination date. The member may change the  
1361 termination date within the limitations of subparagraph 1., but  
1362 only with the written approval of the ~~his or her~~ employer;

1363 c. A properly completed DROP application for service  
1364 retirement as provided in this section; and

1365 d. Any other information required by the division.

1366 3. The DROP participant is ~~shall be~~ a retiree under the  
1367 Florida Retirement System for all purposes, except for paragraph  
1368 (5) (f) and subsection (9) and ss. 112.3173, 112.363, 121.053,  
1369 and 121.122. DROP participation is final and cannot be canceled  
1370 by the participant after the first payment is credited during  
1371 the DROP participation period. However, participation in ~~the~~  
1372 DROP does not alter the participant's employment status, and the  
1373 member is ~~such employee shall not be~~ deemed retired from  
1374 employment until his or her deferred resignation is effective





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1375 and termination occurs as provided in s. 121.021(39).

1376 4. Elected officers are ~~shall be~~ eligible to participate in  
1377 ~~the~~ DROP subject to the following:

1378 a. An elected officer who reaches normal retirement date  
1379 during a term of office may defer the election to participate in  
1380 ~~the~~ DROP until the next succeeding term in that office. An ~~Such~~  
1381 elected officer who exercises this option may participate in ~~the~~  
1382 DROP for up to 60 calendar months or a period of no longer than  
1383 the ~~such~~ succeeding term of office, whichever is less.

1384 b. An elected or a nonelected participant may run for a  
1385 term of office while participating in DROP and, if elected,  
1386 extend the DROP termination date accordingly; ~~except,~~ however,  
1387 if the ~~such~~ additional term of office exceeds the 60-month  
1388 limitation established in subparagraph 1., and the officer does  
1389 not resign from office within such 60-month limitation, the  
1390 retirement and the participant's DROP is ~~shall be~~ null and void  
1391 as provided in sub-subparagraph (c)5.d.

1392 c.(I) For DROP participation ending before January 1, 2010,  
1393 an elected officer who is dually employed and elects to  
1394 participate in DROP must ~~shall be required to~~ satisfy the  
1395 definition of termination within the original 60-month period or  
1396 maximum participation ~~or, with respect to members who are~~  
1397 ~~instructional personnel employed by the Florida School for the~~  
1398 ~~Deaf and the Blind and who have received authorization by the~~  
1399 ~~Board of Trustees of the Florida School for the Deaf and the~~  
1400 ~~Blind to participate in the DROP beyond 60 months, or who are~~  
1401 ~~instructional personnel as defined in s. 1012.01(2)(a)-(d) in~~  
1402 ~~grades K-12 and who have received authorization by the district~~  
1403 ~~school superintendent to participate in the DROP beyond 60~~



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1404 ~~months, the 96-month limitation period~~ as provided in  
1405 subparagraph 1. for the nonelected position and may continue  
1406 employment as an elected officer as provided in s. 121.053. The  
1407 elected officer shall ~~will~~ be enrolled as a renewed member in  
1408 the Elected Officers' Class or the Regular Class, as provided in  
1409 ss. 121.053 and 121.122, on the first day of the month after  
1410 termination of employment in the nonelected position and  
1411 termination of DROP. Distribution of the DROP benefits shall be  
1412 made as provided in paragraph (c).

1413 (II) For DROP participation ending on or after January 1,  
1414 2010, an elected officer who is dually employed and elects to  
1415 participate in DROP must satisfy the definition of termination  
1416 in s. 121.021(39) for the nonelected position within the  
1417 original 60-month period or maximum period as provided in  
1418 subparagraph 1. If the elected officer does not terminate from  
1419 elective office within the original 60-month period or maximum  
1420 period, he or she may defer termination as provided in s.  
1421 121.053 but is subject to termination in s. 121.021(39) to  
1422 finalize retirement.

1423 (c) *Benefits payable under ~~the~~ DROP.*—

1424 1. Effective on ~~with~~ the date of DROP participation, the  
1425 member's initial normal monthly benefit, including creditable  
1426 service, optional form of payment, and average final  
1427 compensation, and the effective date of retirement are ~~shall be~~  
1428 fixed. The beneficiary established under the Florida Retirement  
1429 System shall be the beneficiary eligible to receive any DROP  
1430 benefits payable if the DROP participant dies prior to the  
1431 completion of the period of DROP participation. If ~~In the event~~  
1432 a joint annuitant predeceases the member, the member may name a



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1433 beneficiary to receive accumulated DROP benefits payable. The  
1434 ~~Such~~ retirement benefit, the annual cost of living adjustments  
1435 provided in s. 121.101, and interest shall accrue monthly in the  
1436 Florida Retirement System Trust Fund. The ~~Such~~ interest shall  
1437 accrue at an effective annual rate of 6.5 percent compounded  
1438 monthly, on the prior month's accumulated ending balance, up to  
1439 the month of termination or death.

1440 2. Each employee who elects to participate in ~~the~~ DROP may  
1441 ~~shall be allowed to~~ elect to receive a lump-sum payment for  
1442 accrued annual leave earned in accordance with agency policy  
1443 upon beginning participation in ~~the~~ DROP. The ~~Such~~ accumulated  
1444 leave payment certified to the division upon commencement of  
1445 DROP shall be included in the calculation of the member's  
1446 average final compensation. The employee electing the ~~such~~ lump-  
1447 sum payment is ~~upon beginning participation in DROP will not be~~  
1448 eligible to receive a second lump-sum payment upon termination,  
1449 except to the extent the employee has earned additional annual  
1450 leave which combined with the original payment does not exceed  
1451 the maximum lump-sum payment allowed by the employing agency's  
1452 policy or rules. An ~~Such~~ early lump-sum payment shall be based  
1453 on the hourly wage of the employee at the time he or she begins  
1454 participation in ~~the~~ DROP. If the member elects to wait and  
1455 receive a such lump-sum payment upon termination of DROP and  
1456 termination of employment with the employer, any accumulated  
1457 leave payment made at that time may not ~~cannot~~ be included in  
1458 the member's retirement benefit, which was determined and fixed  
1459 by law when the employee elected to participate in ~~the~~ DROP.

1460 3. The effective date of DROP participation and the  
1461 effective date of retirement of a DROP participant shall be the



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1462 first day of the month selected by the member to begin  
1463 participation in ~~the~~ DROP, provided such date is properly  
1464 established, with the written confirmation of the employer, and  
1465 the approval of the division, on forms required by the division.

1466 4. Normal retirement benefits and any interest ~~thereon~~  
1467 shall continue to accrue in ~~the~~ DROP until the established  
1468 termination date of ~~the~~ DROP, or until the participant  
1469 terminates employment or dies prior to such date. Although  
1470 individual DROP accounts shall not be established, a separate  
1471 accounting of each participant's accrued benefits under ~~the~~ DROP  
1472 shall be calculated and provided to participants.

1473 5. At the conclusion of the participant's DROP, the  
1474 division shall distribute the participant's total accumulated  
1475 DROP benefits, subject to the following provisions:

1476 a. The division shall receive verification by the  
1477 participant's employer or employers that the ~~such~~ participant  
1478 has terminated employment as provided in s. 121.021(39)(b).

1479 b. The terminated DROP participant or, if deceased, the  
1480 ~~such~~ participant's named beneficiary, shall elect on forms  
1481 provided by the division to receive payment of ~~the~~ DROP benefits  
1482 in accordance with one of the options listed below. If ~~For~~ a  
1483 participant or beneficiary ~~who~~ fails to elect a method of  
1484 payment within 60 days after ~~of~~ termination of ~~the~~ DROP, the  
1485 division shall ~~will~~ pay a lump sum as provided in sub-sub-  
1486 subparagraph (I).

1487 (I) Lump sum.—All accrued DROP benefits, plus interest,  
1488 less withholding taxes remitted to the Internal Revenue Service,  
1489 shall be paid to ~~the~~ DROP participant or surviving beneficiary.

1490 (II) Direct rollover.—All accrued DROP benefits, plus



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1491 interest, shall be paid from ~~the~~ DROP directly to the custodian  
1492 of an eligible retirement plan as defined in s. 402(c)(8)(B) of  
1493 the Internal Revenue Code. However, in the case of an eligible  
1494 rollover distribution to the surviving spouse of a deceased  
1495 participant, an eligible retirement plan is an individual  
1496 retirement account or an individual retirement annuity as  
1497 described in s. 402(c)(9) of the Internal Revenue Code.

1498 (III) Partial lump sum.—A portion of the accrued DROP  
1499 benefits shall be paid to ~~the~~ DROP participant or surviving  
1500 spouse, less withholding taxes remitted to the Internal Revenue  
1501 Service, and the remaining DROP benefits shall be transferred  
1502 directly to the custodian of an eligible retirement plan as  
1503 defined in s. 402(c)(8)(B) of the Internal Revenue Code.  
1504 However, in the case of an eligible rollover distribution to the  
1505 surviving spouse of a deceased participant, an eligible  
1506 retirement plan is an individual retirement account or an  
1507 individual retirement annuity as described in s. 402(c)(9) of  
1508 the Internal Revenue Code. The proportions shall be specified by  
1509 the DROP participant or surviving beneficiary.

1510 c. The form of payment selected by the DROP participant or  
1511 surviving beneficiary must comply ~~complies~~ with the minimum  
1512 distribution requirements of the Internal Revenue Code.

1513 d. A DROP participant who fails to terminate employment as  
1514 defined in s. 121.021(39)(b) shall be deemed as not ~~to be~~  
1515 retired, and the DROP election is ~~shall be~~ null and void.  
1516 Florida Retirement System membership shall be reestablished  
1517 retroactively to the date of the commencement of the DROP, and  
1518 each employer with whom the participant continues employment  
1519 must ~~shall be required to~~ pay to the Florida Retirement System



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1520 Trust Fund the difference between the DROP contributions paid in  
1521 paragraph (i) and the contributions required for the applicable  
1522 Florida Retirement System class of membership during the period  
1523 the member participated in the DROP, plus 6.5 percent interest  
1524 compounded annually.

1525 6. The retirement benefits of a retiree who participated in  
1526 DROP and meets the definition of termination in s.  
1527 121.021(39)(b), but is in violation of the reemployment  
1528 provisions as provided in subsection (9), shall be suspended  
1529 during the months in which the reemployed retiree is in  
1530 violation. Any retiree reemployed in violation of this  
1531 subparagraph and any employing agency that employs or appoints  
1532 such member without notifying the Division of Retirement to  
1533 suspend retirement benefits are jointly and severally liable for  
1534 any benefits paid during the reemployment limitation period. To  
1535 avoid liability, the employing agency must have a written  
1536 statement from the retiree that he or she is not retired from a  
1537 state-administered retirement system.

1538 a. For DROP participation ending before January 1, 2010,  
1539 any retirement benefits received by a retiree while employed in  
1540 violation of the reemployment limitations during the 12-month  
1541 limitation period must be repaid to the Florida Retirement  
1542 System Trust Fund, and his or her retirement benefits shall  
1543 remain suspended until payment is made. Benefits suspended  
1544 beyond the end of the retiree's 12-calendar month limitation  
1545 period apply toward repayment of benefits received in violation  
1546 of the reemployment limitations.

1547 b. For DROP participation ending on or after January 1,  
1548 2010, any retirement benefits received by a retiree while



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1549 employed in violation of the reemployment limitations must be  
1550 repaid to the Florida Retirement System Trust Fund, and his or  
1551 her retirement benefits shall remain suspended until payment is  
1552 made. Benefits suspended after the retiree has terminated  
1553 employment shall apply toward repayment of benefits received in  
1554 violation of the reemployment limitations.

1555 7.6. The accrued benefits of any DROP participant, and any  
1556 contributions accumulated under the such program, are shall not  
1557 ~~be~~ subject to assignment, execution, attachment, or to any legal  
1558 process whatsoever, except for qualified domestic relations  
1559 orders by a court of competent jurisdiction, income deduction  
1560 orders as provided in s. 61.1301, and federal income tax levies.

1561 8.7. DROP participants are shall not ~~be~~ eligible for  
1562 disability retirement benefits as provided in subsection (4).

1563 (d) *Death benefits under ~~the~~ DROP.*

1564 1. Upon the death of a DROP participant, the named  
1565 beneficiary is shall be entitled to apply for and receive the  
1566 accrued benefits in ~~the~~ DROP as provided in sub-subparagraph  
1567 (c)5.b.

1568 2. The normal retirement benefit accrued to ~~the~~ DROP during  
1569 the month of a participant's death shall be the final monthly  
1570 benefit credited for such DROP participant.

1571 3. Eligibility to participate in ~~the~~ DROP terminates upon  
1572 death of the participant. If the participant dies on or after  
1573 the effective date of enrollment in ~~the~~ DROP, but prior to the  
1574 first monthly benefit being credited to the DROP, Florida  
1575 Retirement System benefits shall be paid in accordance with  
1576 subparagraph (7)(c)1. or subparagraph 2.

1577 4. A DROP participant's participants' survivors shall not



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1578 be eligible to receive Florida Retirement System death benefits  
1579 as provided in paragraph (7) (d).

1580 (e) *Cost-of-living adjustment.*—On each July 1, the  
1581 participant's ~~participants'~~ normal retirement benefit shall be  
1582 increased as provided in s. 121.101.

1583 (f) *Retiree health insurance subsidy.*—DROP participants are  
1584 not eligible to apply for the retiree health insurance subsidy  
1585 payments as provided in s. 112.363 until such participants have  
1586 terminated employment and participation in ~~the~~ DROP.

1587 (g) *Renewed membership.*—

1588 1. DROP participants who end DROP participation before  
1589 January 1, 2010 are ~~shall~~ not be eligible for renewed membership  
1590 in the Florida Retirement System under ss. 121.053 and 121.122  
1591 until termination of employment is effectuated as provided in s.  
1592 121.021(39) (b).

1593 2. DROP participants who end DROP participation on or after  
1594 January 1, 2010, are not eligible for renewed membership in a  
1595 state-administered retirement system.

1596 (h) *Employment limitation after DROP participation.*—Upon  
1597 satisfying the definition of termination of employment as  
1598 provided in s. 121.021(39) (b), DROP participants shall be  
1599 subject to such reemployment limitations as other retirees.  
1600 Reemployment restrictions applicable to retirees as provided in  
1601 subsection (9) shall not apply to DROP participants until their  
1602 employment and participation in ~~the~~ DROP are terminated.

1603 (i) *Contributions.*—

1604 1. All employers paying the salary of a DROP participant  
1605 filling a regularly established position shall contribute 8.0  
1606 percent of such participant's gross compensation for the period





1607 of July 1, 2002, through June 30, 2003, and the 11.56 percent of  
1608 such compensation required by s. 121.71 thereafter, which shall  
1609 constitute the entire employer DROP contribution with respect to  
1610 such participant. Such contributions, payable to the Florida  
1611 Retirement System Trust Fund in the same manner as required in  
1612 s. 121.071, shall be made as appropriate for each pay period and  
1613 are in addition to contributions required for social security  
1614 and the Retiree Health Insurance Subsidy Trust Fund. Such  
1615 employer, social security, and health insurance subsidy  
1616 contributions are not included in ~~the~~ DROP.

1617 2. The employer shall, in addition to subparagraph 1., also  
1618 withhold one-half of the entire social security contribution  
1619 required for the participant. Contributions for social security  
1620 by each participant and each employer, in the amount required  
1621 for social security coverage as now or hereafter provided by the  
1622 federal Social Security Act, shall be in addition to  
1623 contributions specified in subparagraph 1.

1624 3. All employers paying the salary of a DROP participant  
1625 filling a regularly established position shall contribute the  
1626 percent of such participant's gross compensation required in s.  
1627 121.071(4), which shall constitute the employer's health  
1628 insurance subsidy contribution with respect to such participant.  
1629 Such contributions shall be deposited by the administrator in  
1630 the Retiree Health Insurance Subsidy Trust Fund.

1631 (j) *Forfeiture of retirement benefits.*—Nothing in this  
1632 section shall be construed to remove DROP participants from the  
1633 scope of s. 8(d), Art. II of the State Constitution, s.  
1634 112.3173, and paragraph (5)(f). DROP participants who commit a  
1635 specified felony offense while employed will be subject to



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1636 forfeiture of all retirement benefits, including DROP benefits,  
1637 pursuant to those provisions of law.

1638 (k) *Administration of program.*—The division shall make such  
1639 rules as are necessary for the effective and efficient  
1640 administration of this subsection. The division shall not be  
1641 required to advise members of the federal tax consequences of an  
1642 election related to the DROP but may advise members to seek  
1643 independent advice.

1644 (14) PAYMENT OF BENEFITS.—This subsection applies to the  
1645 payment of benefits to a payee (retiree or beneficiary) under  
1646 the Florida Retirement System:

1647 (a) Federal income tax shall be withheld in accordance with  
1648 federal law, unless the payee elects otherwise on Form W-4P. The  
1649 division shall prepare and distribute to each recipient of  
1650 monthly retirement benefits an appropriate income tax form that  
1651 reflects the recipient's income and federal income tax withheld  
1652 for the calendar year just ended.

1653 (b) Subject to approval by the division in accordance with  
1654 rule 60S-4.015, Florida Administrative Code, a payee receiving  
1655 retirement benefits under the Florida Retirement System may also  
1656 have the following payments deducted from his or her monthly  
1657 benefit:

1658 1. Premiums for life and health-related insurance policies  
1659 from approved companies.

1660 2. Life insurance premiums for the State Group Life  
1661 Insurance Plan, if authorized in writing by the payee and by the  
1662 Department of Management Services.

1663 3. Repayment of overpayments from the Florida Retirement  
1664 System Trust Fund, the State Employees' Health Insurance Trust



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1665 Fund, or the State Employees' Life Insurance Trust Fund, upon  
1666 notification of the payee.

1667 4. Payments to an alternate payee for alimony, child  
1668 support, or division of marital assets pursuant to a qualified  
1669 domestic relations order under s. 222.21 or an income deduction  
1670 order under s. 61.1301.

1671 5. Payments to the Internal Revenue Service for federal  
1672 income tax levies, upon notification of the division by the  
1673 Internal Revenue Service.

1674 (c) A payee shall notify the division of any change in his  
1675 or her address. The division may suspend benefit payments to a  
1676 payee if correspondence sent to the payee's mailing address is  
1677 returned due to an incorrect address. Benefit payments shall be  
1678 resumed upon notification to the division of the payee's new  
1679 address.

1680 (d) A payee whose retirement benefits are reduced by the  
1681 application of maximum benefit limits under s. 415(b) of the  
1682 Internal Revenue Code, as specified in s. 121.30(5), shall have  
1683 the portion of his or her calculated benefit in the Florida  
1684 Retirement System defined benefit plan which exceeds such  
1685 federal limitation paid through the Florida Retirement System  
1686 Preservation of Benefits Plan, as provided in s. 121.1001.

1687 (e) No benefit may be reduced for the purpose of preserving  
1688 the member's eligibility for a federal program.

1689 (f) The division shall adopt rules establishing procedures  
1690 for determining that the persons to whom benefits are being paid  
1691 are still living. The division shall suspend the benefits being  
1692 paid to any payee when it is unable to contact such payee and to  
1693 confirm that he or she is still living.



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1694 Section 6. Section 121.122, Florida Statutes, is amended to  
1695 read:

1696 121.122 Renewed membership in system.—

1697 (1) A retiree of a state-administered retirement system who  
1698 is initially reemployed on or after January 1, 2010, is not  
1699 eligible for renewed membership.

1700 (2) Except as provided in s. 121.053, effective July 1,  
1701 1991, through December 31, 2009, any retiree of a state-  
1702 administered retirement system who is initially reemployed  
1703 employed in a regularly established position with a covered  
1704 employer shall be enrolled as a compulsory member of the Regular  
1705 Class of the Florida Retirement System or, effective July 1,  
1706 1997, through December 31, 2009, any retiree of a state-  
1707 administered retirement system who is initially reemployed  
1708 employed in a position included in the Senior Management Service  
1709 Class shall be enrolled as a compulsory member of the Senior  
1710 Management Service Class of the Florida Retirement System as  
1711 provided in s. 121.055, and shall be entitled to receive an  
1712 additional retirement benefit, subject to the following  
1713 conditions:

1714 ~~(1)~~(a) Such member shall resatisfy the age and service  
1715 requirements as provided in this chapter for initial membership  
1716 under the system, unless such member elects to participate in  
1717 the Senior Management Service Optional Annuity Program in lieu  
1718 of the Senior Management Service Class, as provided in s.  
1719 121.055(6).

1720 (b) Such member shall not be entitled to disability  
1721 benefits as provided in s. 121.091(4).

1722 (c) Such member must meet the reemployment after retirement



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1723 limitations as provided in s. 121.091(9), as applicable.

1724 ~~(3)(2)~~ Upon reemployment of a retiree renewed membership,  
1725 the employer of the ~~such~~ member shall pay the applicable  
1726 employer contributions as required by ss. 121.71, 121.74,  
1727 121.76, and 112.363 ~~ss. 121.055(3) and 121.071(1)(a) and (4)~~.

1728 ~~(4)(3)~~ The retiree of a state-administered retirement  
1729 system who is initially reemployed before January 1, 2010, is  
1730 ~~Such member shall be~~ entitled to purchase additional retirement  
1731 credit in the Regular Class or the Senior Management Service  
1732 Class, as applicable, for any postretirement service performed  
1733 in a regularly established position as follows:

1734 (a) For regular class service before ~~prior to~~ July 1, 1991,  
1735 by paying the Regular Class applicable employee and employer  
1736 contributions for the period being claimed, plus 4 percent  
1737 interest compounded annually from first year of service claimed  
1738 until July 1, 1975, and 6.5 percent interest compounded  
1739 thereafter, until full payment is made to the Florida Retirement  
1740 System Trust Fund; or

1741 (b) For Senior Management Service Class before ~~prior to~~  
1742 June 1, 1997, as provided in s. 121.055(1)(j).

1743  
1744 The contribution for postretirement service between July 1,  
1745 1985, and July 1, 1991, for which the reemployed retiree  
1746 contribution was paid, shall be the difference between such  
1747 contribution and the total applicable contribution for the  
1748 period being claimed, plus interest. The employer of such member  
1749 may pay the applicable employer contribution in lieu of the  
1750 member. If a member does not wish to claim credit for all of the  
1751 postretirement service for which he or she is eligible, the



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1752 service the member claims must be the most recent service.

1753 (5)~~(4)~~ No creditable service for which credit was received,  
1754 or which remained unclaimed, at retirement may be claimed or  
1755 applied toward service credit earned following renewed  
1756 membership. However, for retirees initially reemployed before  
1757 January 1, 2010, service earned as an elected officer with  
1758 renewed membership in the Elected Officers' Class may be used in  
1759 conjunction with creditable service earned under this section,  
1760 provided the applicable vesting requirements and other existing  
1761 statutory conditions required by this chapter are met.

1762 (6)~~(5)~~ Notwithstanding any other limitations provided in  
1763 this section, a participant of the State University System  
1764 Optional Retirement Program, the State Community College  
1765 Optional Retirement Program, or the Senior Management Service  
1766 Optional Annuity Program who terminated employment and commenced  
1767 receiving a distribution ~~an annuity~~ under ~~the provisions of the~~  
1768 optional program, who initially renews membership before January  
1769 1, 2010, ~~in the Regular Class~~ as required by this section upon  
1770 reemployment after retirement, and who had previously earned  
1771 creditable Florida Retirement System service that was not  
1772 included in any retirement benefit may include such previous  
1773 service toward vesting and service credit in the second career  
1774 benefit provided under renewed membership.

1775 (7)~~(6)~~ Any renewed member who is not receiving the maximum  
1776 health insurance subsidy provided in s. 112.363 shall be  
1777 entitled to earn additional credit toward the maximum health  
1778 insurance subsidy. Any additional subsidy due because of such  
1779 additional credit shall be received only at the time of payment  
1780 of the second career retirement benefit. In no case shall the



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1781 total health insurance subsidy received by a retiree receiving  
1782 benefits from initial and renewed membership exceed the maximum  
1783 allowed in s. 112.363.

1784 Section 7. Paragraph (h) of subsection (3) and paragraphs  
1785 (a) and (e) of subsection (5) of section 121.35, Florida  
1786 Statutes, are amended, and paragraph (g) is added to subsection  
1787 (5) of that section, to read:

1788 121.35 Optional retirement program for the State University  
1789 System.—

1790 (3) ELECTION OF OPTIONAL PROGRAM.—

1791 (h) A participant in the optional retirement program may  
1792 not participate in more than one state-administered retirement  
1793 system, plan, or class simultaneously. Except as provided in s.  
1794 121.052(6)(d), a participant who is or becomes dually employed  
1795 in two or more positions covered by the Florida Retirement  
1796 System, one of which is eligible for the optional program and  
1797 one of which is not, may remain a member of the optional program  
1798 and contributions shall be paid as required only on the salary  
1799 earned in the position eligible for the optional program during  
1800 such period of dual employment; or, within 90 days after  
1801 becoming dually employed, he or she may elect membership in the  
1802 Regular Class of the Florida Retirement System in lieu of the  
1803 optional program and contributions shall be paid as required on  
1804 the total salary received for all employment. At retirement, the  
1805 average final compensation used to calculate any benefits for  
1806 which the member becomes eligible under the Florida Retirement  
1807 System shall be based on all salary reported for both positions  
1808 during such period of dual employment. When such member ceases  
1809 to be dually employed, he or she may, within 90 days, elect to



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1810 remain in the Florida Retirement System class for which he or  
1811 she is eligible or to again become a participant in the optional  
1812 retirement program. Failure to elect membership in the optional  
1813 program within 90 days shall result in compulsory membership in  
1814 the Florida Retirement System, except that a member filling a  
1815 faculty position at ~~under~~ a college with a faculty practice plan  
1816 at the University of Florida, at ~~or~~ the Medical Center at the  
1817 University of South Florida, or other state university shall  
1818 again participate in the optional retirement program as required  
1819 in s. 121.051(1)(a).

1820 (5) BENEFITS.—

1821 (a) Benefits shall be payable under the optional retirement  
1822 program only to vested participants in the program, or their  
1823 beneficiaries as designated by the participant in the contract  
1824 with a provider company, and such benefits shall be paid only by  
1825 the designated company in accordance with s. 403(b) of the  
1826 Internal Revenue Code and in accordance with the terms of the  
1827 annuity contract or contracts applicable to the participant.  
1828 Benefits shall accrue in individual accounts that are  
1829 participant-directed, portable, and funded by employer  
1830 contributions and the earnings thereon. The participant must be  
1831 terminated from all employment with all Florida Retirement  
1832 System employers, as provided in s. 121.021(39), to begin  
1833 receiving the employer-funded benefit. Benefits funded by  
1834 employer contributions shall be payable in accordance with the  
1835 following terms and conditions:

1836 1. Benefits shall be payable only to a participant, to his  
1837 or her beneficiaries, or to his or her estate, as designated by  
1838 the participant.





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1839           2. Benefits shall be paid by the provider company or  
1840 companies in accordance with the law, the provisions of the  
1841 contract, and any applicable department ~~board~~ rule or policy.

1842           3. In the event of a participant's death, moneys  
1843 accumulated by, or on behalf of, the participant, less  
1844 withholding taxes remitted to the Internal Revenue Service, if  
1845 any, shall be distributed to the participant's designated  
1846 beneficiary or beneficiaries, or to the participant's estate, as  
1847 if the participant retired on the date of death, as provided in  
1848 paragraph (c). No other death benefits shall be available for  
1849 survivors of participants under the optional retirement program  
1850 except for such benefits, or coverage for such benefits, as are  
1851 separately afforded by the employer, at the employer's  
1852 discretion.

1853           (e) A participant who chooses to receive his or her  
1854 benefits upon termination of employment as defined in s.  
1855 121.021(39) ~~has the shall have~~ responsibility to notify the  
1856 provider company of the date on which he or she wishes benefits  
1857 funded by employer contributions to begin. Benefits may be  
1858 deferred until such time as the participant chooses to make such  
1859 application.

1860           (g) For purposes of this section, the term "retiree" means  
1861 a former participant of the optional retirement program who has  
1862 terminated employment and has taken a distribution, including a  
1863 rollover or trustee-to-trustee transfer, as provided in this  
1864 subsection, except for a mandatory distribution of a de minimis  
1865 account authorized by the department.

1866           Section 8. Paragraph (f) of subsection (2) of section  
1867 121.4501, Florida Statutes, is amended to read:



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1868 121.4501 Public Employee Optional Retirement Program.—  
1869 (2) DEFINITIONS.—As used in this part, the term:  
1870 (f) "Eligible employee" means an officer or employee, as  
1871 defined in s. 121.021(11), who:  
1872 1. Is a member of, or is eligible for membership in, the  
1873 Florida Retirement System, including any renewed member of the  
1874 Florida Retirement System initially reemployed before January 1,  
1875 2010; or  
1876 2. Participates in, or is eligible to participate in, the  
1877 Senior Management Service Optional Annuity Program as  
1878 established under s. 121.055(6), the State Community College  
1879 System Optional Retirement Program as established under s.  
1880 121.051(2)(c), or the State University System Optional  
1881 Retirement Program established under s. 121.35.  
1882  
1883 The term does not include any member participating in the  
1884 Deferred Retirement Option Program established under s.  
1885 121.091(13), a retiree of a state-administered retirement system  
1886 initially reemployed on or after January 1, 2010, or a mandatory  
1887 participant of the State University System Optional Retirement  
1888 Program established under s. 121.35.  
1889 Section 9. Paragraph (b) of subsection (1) of section  
1890 121.591, Florida Statutes, is amended to read:  
1891 121.591 Benefits payable under the Public Employee Optional  
1892 Retirement Program of the Florida Retirement System.—Benefits  
1893 may not be paid under this section unless the member has  
1894 terminated employment as provided in s. 121.021(39)(a) or is  
1895 deceased and a proper application has been filed in the manner  
1896 prescribed by the state board or the department. The state board



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1897 or department, as appropriate, may cancel an application for  
1898 retirement benefits when the member or beneficiary fails to  
1899 timely provide the information and documents required by this  
1900 chapter and the rules of the state board and department. In  
1901 accordance with their respective responsibilities as provided  
1902 herein, the State Board of Administration and the Department of  
1903 Management Services shall adopt rules establishing procedures  
1904 for application for retirement benefits and for the cancellation  
1905 of such application when the required information or documents  
1906 are not received. The State Board of Administration and the  
1907 Department of Management Services, as appropriate, are  
1908 authorized to cash out a de minimis account of a participant who  
1909 has been terminated from Florida Retirement System covered  
1910 employment for a minimum of 6 calendar months. A de minimis  
1911 account is an account containing employer contributions and  
1912 accumulated earnings of not more than \$5,000 made under the  
1913 provisions of this chapter. Such cash-out must either be a  
1914 complete lump-sum liquidation of the account balance, subject to  
1915 the provisions of the Internal Revenue Code, or a lump-sum  
1916 direct rollover distribution paid directly to the custodian of  
1917 an eligible retirement plan, as defined by the Internal Revenue  
1918 Code, on behalf of the participant. If any financial instrument  
1919 issued for the payment of retirement benefits under this section  
1920 is not presented for payment within 180 days after the last day  
1921 of the month in which it was originally issued, the third-party  
1922 administrator or other duly authorized agent of the State Board  
1923 of Administration shall cancel the instrument and credit the  
1924 amount of the instrument to the suspense account of the Public  
1925 Employee Optional Retirement Program Trust Fund authorized under



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1926 s. 121.4501(6). Any such amounts transferred to the suspense  
1927 account are payable upon a proper application, not to include  
1928 earnings thereon, as provided in this section, within 10 years  
1929 after the last day of the month in which the instrument was  
1930 originally issued, after which time such amounts and any  
1931 earnings thereon shall be forfeited. Any such forfeited amounts  
1932 are assets of the Public Employee Optional Retirement Program  
1933 Trust Fund and are not subject to the provisions of chapter 717.

1934 (1) NORMAL BENEFITS.—Under the Public Employee Optional  
1935 Retirement Program:

1936 (b) If a participant elects to receive his or her benefits  
1937 upon termination of employment as defined in s. 121.021(39), the  
1938 participant must submit a written application or an equivalent  
1939 form to the third-party administrator indicating his or her  
1940 preferred distribution date and selecting an authorized method  
1941 of distribution as provided in paragraph (c). The participant  
1942 may defer receipt of benefits until he or she chooses to make  
1943 such application, subject to federal requirements.

1944 Section 10. Sections 121.093 and 121.094, Florida Statutes,  
1945 are repealed.

1946 Section 11. The Legislature finds that a proper and  
1947 legitimate state purpose is served when employees and retirees  
1948 of the state and its political subdivisions, as well as the  
1949 dependents, survivors, and beneficiaries of such employees and  
1950 retirees, are extended the basic protections afforded by  
1951 governmental retirement systems that provide fair and adequate  
1952 benefits and that are managed, administered, and funded in an  
1953 actuarially sound manner as required by s. 14, Art. X of the  
1954 State Constitution and part VII of chapter 112, Florida



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1955 Statutes. Therefore, the Legislature determines and declares  
1956 that the amendment of s. 121.091, Florida Statutes, by this act  
1957 fulfills an important state interest.

1958 Section 12. This act shall take effect July 1, 2009.  
1959

1960 ===== T I T L E A M E N D M E N T =====

1961 And the title is amended as follows:

1962 Delete everything before the enacting clause  
1963 and insert:

1964 A bill to be entitled  
1965 An act relating to the retirement; amending s.  
1966 121.021, F.S.; defining the term "retiree"; amending  
1967 s. 121.051, F.S.; conforming a cross-reference;  
1968 clarifying when a State Community College System  
1969 Optional Retirement Program participant is considered  
1970 a retiree; amending s. 121.053, F.S.; revising  
1971 membership criteria for renewed elected officials;  
1972 amending s. 121.055, F.S.; revising benefit payment  
1973 procedures for the Senior Management Service Optional  
1974 Annuity Program; clarifying when a participant is  
1975 considered retired; amending s. 121.091, F.S.;  
1976 revising and clarifying provisions relating to  
1977 retirement benefits; deleting a restriction on the  
1978 reemployment of certain personnel by the Florida  
1979 School for the Deaf and the Blind; extending the  
1980 period of time that instructional personnel employed  
1981 by a developmental research school may participate in  
1982 the Deferred Retirement Option Program (DROP);  
1983 authorizing developmental research school and charter



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1984 schools to reemploy certain retired members under  
1985 specified conditions; providing applicability;  
1986 clarifying that DROP participation cannot be canceled;  
1987 clarifying maximum DROP participation; providing for  
1988 the suspension of DROP benefits to a participant who  
1989 is reemployed; deleting obsolete provisions; amending  
1990 s. 121.122, F.S.; revising conditions under which a  
1991 retiree is entitled to certain additional retirement  
1992 benefits; amending s. 121.35, F.S.; revising a  
1993 compulsory membership exception for certain members  
1994 failing to elect membership in the optional retirement  
1995 program; defining the term "retiree" for purposes of  
1996 the State University System Optional Retirement  
1997 Program; repealing ss. 121.093 and 121.094, F.S.,  
1998 relating to instructional personnel reemployment after  
1999 retirement from a developmental research school or the  
2000 Florida School for the Deaf and the Blind that are  
2001 reenacted in s. 121.091, F.S., and relating to  
2002 instructional personnel reemployment after retirement  
2003 from a charter school that are reenacted in s.  
2004 121.091, F.S., respectively; providing a declaration  
2005 of important state interest; providing an effective  
2006 date.